

European University Institute



Workshop

*The European Neighbourhood Policy:
A Framework for Modernisation?*

1st – 2nd December 2006

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1. General Framework

The last wave of enlargement, with the admission of 10 new countries to the EU's structures in May 2004, was appreciably different from previous ones not only because of the number of entrants, but also because it has specifically affected the relations between the European Union and those partners which are close to its borders, but which – more or less willingly – have not been included in the list of prospective members. As the first enlargement to the East after the fall of the Berlin wall, it has in fact raised concerns and expectations among partner countries, re-opening the question of the future of the relationship and of the final borders of the Union. As Wallace remarked, it wasn't possible to "simply reinforce [the] new border" and shut outsiders out (Wallace, 2003). In this context, the EU has been induced to reconsider its strategy towards neighbouring countries and to launch the European Neighbourhood Policy (ENP) which was the subject of an initial communication transmitted by the Commission to the Council and to the European Parliament on 11th March 2003.

The great novelty of the ENP was that, for the first time, an official document argued explicitly that the EU's neighbours should take on considerably deeper and broader obligations to align with Union norms and Community legislation as part of an overall process of political, social and economic modernisation. In return for concrete progress "demonstrating shared values and effective implementation of political, economic and institutional reforms, including aligning legislation with the *acquis*", the Commission suggested that the partners 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". The underlying conviction of this Commission document is that if a country has reached an open and integrated market functioning at pan-European level on the basis of compatible or harmonised rules, "it has come as close to the Union as it can be without being a member". The European *acquis* offers a well established model as a basis for building functioning integrated markets and defining common standards for industrial products, services, transport, energy, telecommunications, etc. However the Commission strategy documents on the ENP of March 2003 and then in May 2004 make it clear, in a way which recalls the functional model which was at the heart of the European integration process, that the creation of a

new common market is not the ultimate objective. It is rather that the offer of a stake in the European internal market is a tool to promote “the development of closer and more coherent relations with the Union’s neighbours”, providing the motor for political and economic development and the basis for the stability, prosperity and security that the EU would like to see in its neighbourhood.

The phenomenon at issue here is impressive. It provides an unprecedented example of policy export which potentially involves neighbouring countries in a wide process of modernisation and Europeanisation spreading well beyond the European continent. Much of the discussion about whether or not the EU is likely to develop an effective foreign policy is grounded in assessments of its efforts at explicit policy-making. It may however be that the external projection of European regimes and value patterns is indeed as powerful a tool, one that will also promote the acquisition of influence by the Union in a wider global setting. The process is likely to shape the way in which a large group of countries will arrange and ultimately perceive themselves with a noticeable impact on the whole system of International Relations (Rosencrance, 1998; Aliboni 2005).

These issues are of crucial importance when thinking of the future of the European continent, but uncertainties as to the capacity of the EU to cope with new members and with internal problems of identity and definition are casting doubts on its ability to take on the challenges deriving from neighbouring countries. The expectations deriving from the launch of the ENP, a policy “investing in stability and cooperation around its borders” (Wallace, 2003), have been progressively displaced by scepticism about the “optimistic rhetoric of integration” (Stetter, 2005) and by an awareness of the EU’s record in declaratory foreign policy (Hill, 1993; Nuttal, 2000). The possible explanations of this phenomenon are multiple, but at the core there is the difficulty of operationalizing a policy which is multi-disciplinary in nature and of integrating its different levels. The EU is, in fact, engaging neighbouring countries by offering an economic incentive (a “stake in the internal market”), using legal tools (bilateral agreements and the adoption of the *acquis communautaire*) and putting in place soft methods of coordination (benchmarking, Action Plans, etc.) which are expected to contribute to the strategic security goal of the EU within Europe and its neighbourhood (the creation of a circle of friends and a zone of stability). In addition, then, to the complexity of multiple objectives, there is the need to devise and integrate a range of instruments which find their basis in different parts of the Union’s complex constitutional structure.

Frustration has been increased by the asymmetry existing between the European Union, widely perceived as preoccupied with solving its internal problems, and the neighbouring countries, who urge a better understanding of the nature and future of their partnership with the EU. This problem is particularly crucial for European non-candidate

countries for whom the definition of their relations with the EU has very much to do with the designation of their place in Europe and for whom the perspective of membership, at least in the longer term, cannot in principle be ruled out.

In this context, an enduring ambiguity as to the main objective or overall goal of the ENP is likely seriously to hinder the credibility of the policy and to reduce its potential to promote a wide programme of reform inside the neighbouring countries. At the very least, the ambiguity provides a diversion and distraction from the declared ENP objectives of political and economic transformation (Smith, 2005). The success obtained with candidate countries in terms of the speed and degree of reform made it possible to think that a similar result could also be achieved in the new neighbourhood, but the “shadow of enlargement” is looming over the ENP and its objectives and instruments have to be carefully reconsidered in this context. If it is true that any perspective of integration with the EU is less attractive than membership, it is equally correct to say that eligible neighbouring countries are aware of the fact that their economies are not at the moment ready to stand competition within the European Union and that at present it can be appropriate to find intermediate ways of cooperation which are not necessarily less promising. Similarly, while the extension to non-candidate countries of a number of instruments used during the pre-accession process appeared to be the obvious way to deal with the new neighbourhood, initial evidence shows that this is providing only poor results.

Enlargement has undoubtedly contributed both to the reasons for the new policy and to the instruments for dealing with neighbouring countries (Kelley, 2006; Tulmets, 2006), but to a certain extent it is hampering the capacity to elaborate an independent “vision” for neighbouring countries, properly combining objectives with instruments. If on the one hand the ENP has been devised so as to share with neighbours “everything but institutions” (Prodi, 2002), on the other it has been incapable of formulating an attractive alternative to membership able to engage the partners in a very costly process of legislative approximation. At the same time, the ENP still conceptually relies on conditionality as the main tool to promote convergence, while introducing instruments of soft coordination which are expected to persuade the partners of the “appropriateness” of the solutions provided. Uncertainty as to the ultimate goal is hampering the effectiveness of any toolkit based on conditionality, while the coercive element which is implicit in the use of such an instrument seriously undermines the ability of the EU to promote a real process of learning among neighbouring countries and to reinforce a sense of joint ownership of the project that is necessary for its success.

The ENP seems still to be guided by the strategic interests of the EU, thus reflecting strong centre-periphery characteristics (Stetter, 2005) and undermining the capacity of the

policy to create a genuine partnership where objectives are jointly defined and where instruments are selected in consequence. As Tinbergen (1954) has underlined in the field of economic policy, objectives and instruments should be considered jointly and inside each specific framework. In particular, any instrument has to be assigned to the objective on which it produces the most direct effect while the use of too many instruments for the fulfilment of one single task (over-determination) risks being counterproductive. In this context, a reconsideration of the way to couple objectives with instruments free of the “enlargement complex” is an urgent task to ensure the effectiveness of a policy which is crucial for the future of the European continent and its neighbouring area.

2. Aims of the workshop

The proposed workshop intends to explore from a trans-disciplinary perspective the objectives and instruments which have been devised in the European Neighbourhood Policy (ENP) and to consider in this light the capacity of the policy to promote a fundamental process of modernisation in the target countries. This will be done in the conviction that a reconsideration of the coherence between instruments and objectives of the ENP is particularly urgent and it is likely to affect not only the effectiveness of the policy itself, but also the ability of the EU to create a circle of friends around its borders and, ultimately, its position in the international arena.

In particular, the first session of the workshop will be dedicated to the *objectives* of the ENP reconsidered from different points of view as articulated in the following 4 panels:

a. **Expectations.** This panel will consider the way in which different expectations among the actors who have shaped the ENP agenda at EU and at member State level have contributed to mould the policy as it is now. In parallel, expectations of neighbouring countries will be analysed, taking into account in particular the variation existing between the Southern Mediterranean and the European neighbour countries. The aim will be to answer the following questions: how much do these expectations converge? How are they evolving over time? What compromise is possible?

b. **Democratisation (stability).** The EU has over time played a role as an external anchor to inspire the process of democratisation in neighbouring countries and it has sometimes been used as a reference to inspire processes of political change. Is democratisation an objective in itself for neighbouring countries, justifying their participation in the ENP? How does it contribute to stability, a declared objective of the ENP? What are the obstacles to democratisation and political change within the neighbours?

c. **Economic development (prosperity).** The whole system of the ENP hinges on the provision of an economic incentive, but very limited efforts have been dedicated to the definition of what a “stake in the internal market” might mean. Is it, in its present formulation, an effective incentive in order to induce reform in neighbouring countries? What are the main hypotheses and the possible specifications? Is it viable to offer different levels of integration to different countries without harming the unity of the internal market? What is the feasibility and the impact on national economies of the eventual creation of a pan-European market? How might the perspective of a Common European Economic Space with Russia be integrated in this context?

d. **The structure of the relationship (security).** What kind of framework do we envisage for future relations with neighbouring countries? The “everything but institutions” solution (Prodi, 2002) is a catchy slogan, but how to substantiate it? Hard law or soft law? Shared institutions already exist and their role, development or replacement needs to be considered. How much can new modes of governance help in filling the gap between member and non-member States and bridging the strict distinction between countries inside and outside the EU (Lavenex, 2004)? Can they help in providing a feasible alternative to membership or in creating the “ring of friends” that the EU sees as an essential aspect of its security policy? These questions are closely connected to defining the final form to be taken by the new neighbourhood and, hence, with the objective of providing security to the entire European continent. Are stability and prosperity seen as contingent to the overall and primary objective of security?

In its second session the workshop will re-examine the *instruments* of the ENP, taking into consideration:

a. **Legislative approximation.** This panel will gather lawyers who will evaluate to what extent and how neighbouring countries are preparing themselves in order to adapt to EU law and institutions. In particular, the experience of these countries will be compared to that of candidate countries in order to understand the similarities and the differences of the instruments used in the different domestic contexts. How are neighbouring countries organising themselves in order to advance the process of legislative approximation? How are they prioritising this process? Are Action Plans (APs) proving an effective road map to national lawmakers or are they too loose to offer any valuable guidance? Is benchmarking an effective tool in order to further this process and how do you define benchmarks of the different degrees of Europeanisation in the policy-areas defined by the APs? Does the EU Commission intend to employ these tools consistently or should we rather be sceptical as to the strict definition of objectives

corresponding to demanding commitments? Is there a proper “European model” that allows us to say that laws in a particular field are Europeanised rather than “globalised”?

b. The **extension of the Europeanisation toolkit to third countries**. This panel will gather political scientists who will evaluate if and at which conditions the instruments which have been used in order to further the process of legislative approximation in Member States and, recently, in candidate countries can be applied to the new EU’s neighbourhood. The literature on Europeanisation has been traditionally developed in relation to member countries, but it has been remarked that a restriction of the analysis of “the impact of Europe” (Caporaso 1996, Schmidt, 2001) only in relation to member States would be like “sampling on the dependent variable” (Kruse, 2003: 22). However, how can the concept of Europeanisation be fine-tuned when dealing with non member countries without incurring the risk of conceptual overstretching? Moreover, if the absence of the “carrot” of membership can hinder the effectiveness of any toolkit based on conditionality, does the EU need to find together with neighbouring countries an alternative project able to motivate the partners differently? If it is true that the ENP is trying to exert influence on the parties not only through bargaining about conditions and rewards, but also through mechanisms of soft institutional coordination aimed at setting in motion a process of socialisation of the parties (Meloni, 2006), is the coercive element inherent in the first tactics hampering the promotion of a patient strategy based on learning? Is co-ownership a pre-condition for deep-seated and effective internal reform?

c. **Bilateralism-multilateralism in the ENP** and the need to resolve the Russian case. How does the ENP solve - if it does - the contradiction existing between the promotion of a *differentiated approach* and the recognition that a consistent *regional approach* is an instrument able to promote the creation of an area of security, stability and prosperity in the European Union’s neighbourhood? To what extent can problems be solved on a bilateral basis and to what extent do they need to be tackled on a regional basis (Smith, 2005)? Can the EU promote regional stability and security through its policies of conflict prevention? What is the position of the Russian Federation in this context?

3. Time plan

- 1 June-30 June - Preparation and launch of the Workshop
- 1 September-30 November 2006 - Preparation of the Workshop
- 1-2 December 2006 Workshop at the EUI
- 4 December 2006– 30 January 2007 Follow up and publication of papers

4. People to involve

The workshop is intended to gather together specialists working at the EUI on issues related to the Neighbourhood Policy, and also to invite specialists from several universities and institutions with whom we have close relations and who are themselves working on the ENP, including the University of Regensburg, the Centre for Europe at the University of Warsaw, and the Centre for International Relations and Institute of Public Affairs, Warsaw. We also plan to invite a number of people from other institutions working in the field, especially from the neighbouring States, including the Institute for International Relations at Taras Shevtshenko University (Kiev) and the Faculty of International Relations, Ivan Franko National University (L'viv).

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