

NEIGHBOURHOOD POLICY: MORE OR NO MORE?

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Federica Mogherini, the High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the European Commission, and Johannes Hahn, European Commissioner for Enlargement and European Neighbourhood Policy, have launched consultations on the future of the ENP. Meanwhile, Eneko Landaburu takes a stand on that policy and suggests ways to improve its inner functioning and efficiency.

In tandem with Europe’s parliamentary elections last year, the Jacques Delors Institute’s Task Force on External Action published a manifesto entitled “Engaging Europe in the World”¹.

The text was submitted to the Foreign Affairs Committee of the European Parliament in September 2014 and called upon the new European leaders to work at the international level on five key issues: foreign policy and defence, energy, migration, trade and neighbourhood policy.

On the subject of the latter, the manifesto stated that the Arab revolutions in the south and recent developments concerning the Eastern Partnership in Eastern Europe made a complete overhaul of the European Neighbourhood Policy (ENP) necessary.

We are pleased to see that Ms. Federica Mogherini, the High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the European Commission, and Mr. Johannes Hahn, European Commissioner for Enlargement and European Neighbourhood Policy, have launched consultations on the future of the ENP².

The purpose of this consultation is to thoroughly re-examine the founding principles of this policy, its reach, and the manner in which European institutions are used.

1. Neighbourhood policy: a strategic priority for the EU

Neighbourhood policy is undeniably a key component of European External Action: it was included as a strategic priority for the Union as early as 2003 in the European Security Strategy, and appears in Article 8 §3 of the Treaty of Lisbon (2009), which stipulates that “the Union shall develop a special relationship with neighbouring countries, aiming to establish an area of prosperity and

good neighbourliness, founded on the values of the Union and characterised by close and peaceful relations based on cooperation.” The Treaty ranks ENP as a common policy founded on “the values of the Union.”

In light of events in Arab countries in recent years and the stand-off with Russia over Ukraine, it is questionable whether these policy goals remain realistic and pertinent today.

This Tribune attempts to answer that question by analysing how this policy developed and its outcomes after ten years in application.

The ENP was created in 2003³ to address the issues and challenges of an enlarged European Union. At the time, the neighbourhood was an obviously key area within the European project. Both in the South and the East, Europe’s neighbourhood was an opportunity to build an area of peace and prosperity beyond its borders; a process which reflected the Union’s vision of an international system based on the rule-of-law and without the use of force.

The geopolitical context at that time suggested that these goals were achievable. To the east, Russia was still weakened by the crumbling of the Soviet Union and did not challenge this process (though it refused to take part in the policy and voiced firm opposition to former Soviet countries joining NATO). Numerous neighbouring countries were keen to participate as a stepping stone to future EU membership. To the south, political stability in a majority of countries, enforced by authoritarian or military regimes, ensured the EU had control over illegal emigration and provided security via the determined battle of these countries against radical Islam and religious fundamentalism.

Conditions had therefore generally come together to bring to fruition a strategy of establishing a “ring of friends.”

In this context, over the course of a decade, the EU tried to develop closer ties with neighbouring countries by offering the possibility of greater economic integration in the EU and better access to its internal market. Economic integration was to happen gradually and depended on ambitious political, economic and institutional reforms by partner countries. The ENP evolved during this period, beginning with overtures to reinforce regional ties with the Barcelona Process and subsequent creation of the Union for the Mediterranean in 2008, and Eastern Partnership (EaP) in 2009. The political component of ENP later expanded with the proposal made to several countries for enhanced and comprehensive free trade areas, Mobility Partnerships and visa waivers.

2. Lacklustre results

A necessary evaluation shows that it is no longer possible to reach goals established ten years ago. We are far from the creation of a stable and prosperous zone by developing the social market economy and by spreading democracy and the values of the EU.

Two major factors explain this failure. Firstly, the measures developed and implemented to achieve stated goals proved to be unsuitable and in some cases a mistake. Secondly, the targeted region, both south and east, was the site of deep political upheaval which challenged measures set forth in 2009. The policy depended in part on these partners sharing our values and political principles. This has not been the case: as a majority, many of these countries, be they east or south of our borders, do not view themselves as part of a society founded on universal rights where priority is given to individual freedom. This profound split is a product of history but also of cultural and religious factors, expressed in recent years as a rejection of our model of a democratic-liberal civilisation and, in any event, a growing lack of interest in our less appealing system, viewed as being excessively western, individualistic, and materialistic by some. The approach was therefore too Eurocentric and unilateral; it aimed to absorb neighbours into the European fold rather than foster cooperation which respected differences. Similarly, the method chosen - legal approximation and institution building - comparable to the one implemented for joining the EU, proved, in this context, to be too demanding, unrealistic and ambitious to function properly and produce results.

Nor did the various means mobilised during this period bring about the changes needed to reach stated goals. Firstly, the budgetary resources provided - 11 billion euros for 2007-2013 and 15 billion for 2014-2020 - though significant, are much less than those earmarked for enlargement policy. It has not been enough to kick-start the growth and economic activity indispensable to the credibility and success of the strategy. Likewise, trade concessions on our part - significant in some cases - have failed to convince our partners of the advantages afforded by trade liberalisation. Lastly, our mobility policy has not facilitated access to Europe for people in southern countries; it focused primarily on developing readmission agreements as part of efforts to fight illegal immigration.

These elements show that a policy based primarily on normative instruments - unsuitable and insufficient ones to boot - cannot achieve such geopolitical goals in a context of significant economic disparities and serious political instability. In the South, neighbourhood policy had little impact on the course of Arab Spring revolutions. In the East, ‘soft power’ was already trampled during the 2008 crisis in Georgia with Russia’s aggressive opposition to closer ties between these countries and the European Union. The annexation of Crimea has of course accentuated this weakness.

Aside from these obvious shortcomings, neighbourhood policy has been deeply affected by political upheaval in concerned countries in recent years. In the South, countries like Morocco, Algeria, and Jordan have remained stable to varying degrees, but Tunisia has been badly troubled. Civil war in Syria since 2011 has had serious effects on neighbouring countries. The fall of Gaddafi in Libya has led to internal conflict and complete chaos. Radical political change has also occurred in Egypt, where a repressive military regime has returned to power and is at war with the political Islam of the Muslim Brotherhood. Despite certain efforts, the Middle East peace process is at a standstill and hostilities have resumed, particularly in Gaza in 2014. These events have helped amplify the challenges facing the EU and its partners by exacerbating economic and social problems, illegal immigration, refugee flows and terrorist threats. They have also made those involved pursue divergent goals.

Changes to the situation and viewpoint to the east of our borders stems mainly from Russia’s stance. The country’s perception of ENP shifted, beginning with the creation of the Eastern Partnership in 2009 with encouragement from Poland, Sweden, and the Baltic states. This pressure, exerted by the EU to “embed” more democracy

in countries bordering Russia, was seen as a threat by the latter. Russia's project to build a "Eurasian Economic Union" puts pressure on countries in the geographical region between the EU and Russia to choose between these two spheres of influence. Military attacks in Georgia in 2008 and in Ukraine in 2014, with the annexation of Crimea, reflect the determination of Vladimir Putin to maintain his power through the use of force, to destabilise these countries, and hinder the development of closer ties with the EU. Seen as part of a larger context, the conflict between Ukraine and Russia reveals Russia's desire to establish an "instability belt" by which to control regions of strategic interest to it.

Given the outcomes of the ENP in relation to its goals and to geopolitical disruption in the EU neighbourhood, the question arises as to whether this policy in its currently developing form should be discarded or, at the very least, thoroughly reoriented?

As mentioned in the introduction, an important decision has been taken by new EU leaders elected in last year's Parliamentary election. Federica Mogherini, the High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the European Commission and Mr Johannes Hahn, European Commissioner, have launched a vast debate on how the ENP can be remodelled.

3. Much needed changes

The time is right for some much-needed changes. We would like to contribute to this debate and submit a number of proposals we believe are pertinent, possible, and necessary in order to mobilise and reinforce the presence and the role of the EU and its Member States in EU neighbourhood countries.

There are several reasons to cultivate better relations with third countries, beyond wanting them to be like us. Recent events in the South and East show a growing need for any EU external policy to better define goals, strategies and measures in three major areas: security, immigration and energy dependence.

4. Reformulating security strategy

The first task, in our view, is to overhaul the 2003 "Security Strategy," which was somewhat updated in 2008 to reflect new threats, of course, but also in line with the changing doctrines of Member States (e.g. The French White Paper on Defence and National Security

published in 2013). This strategy should be extended to cover defence (i.e. the idea of a European White Paper on Security and Defence). The list of key threats established in 2003 – terrorism, the proliferation of weapons of mass destruction, and regional conflict – must be modified to include certain social phenomena (political transitions, interfaith conflicts, international migration, the spread of terrorism) and sectoral challenges like securing energy supplies. Many of these challenges apply internally and to neighbouring countries, and external policy aimed at the latter cannot ignore this kind of strategic analysis.

The 2003 European Security Strategy helped advance the Common Foreign and Security Policy. A new strategy could also enable progress in areas such as crisis management and conflict prevention.

Making security a component of our dealings with neighbours calls for a pragmatic approach based on a clear assessment of the situation at our borders and a method – one that yields visible progress by improving existing tools and structures and mobilising the numerous opportunities for cooperation offered by the treaties.

In terms of intervention capacity, mutualisation and cooperation are the realistic path to retaining credibility and ensuring the safety of our continent and our citizens. In this vein, a review of how financial aid tools in the 2014-2020 financial perspectives are used in relation to security goals seems essential.

Undoubtedly, the efficiency and pertinence of our dealings with neighbouring countries depends in part on our ability to adopt a clear Security Strategy and to make visible, solid progress in our Common Security and Defence Policy.

In addition to stepping up the importance of security, future neighbourhood policy needs to include other strategic goals: namely, the external dimension of Energy Union and a Europe-wide migration policy.

5. Securing energy supplies

Securing energy supplies in an economically manageable manner is a major strategic challenge which directly involves several countries in the EU neighbourhood. Its importance has been recognised by the new European Commission: on 15 July 2014, speaking to the European Parliament, Jean-Claude Juncker announced that "(w)e need to pool our resources (...). We need to diversify our energy sources, and reduce the high energy dependency

of several of our Member States (...) Europe's energy dependency should also be reduced by diversifying sources and routes of energy imports and pooling our negotiating power.⁴

These goals could definitely be implemented if they are part of the global plan for an energy union. Launched in 2010 by Jacques Delors, this idea was promoted at the highest political level by former Prime minister Donald Tusk, and by French president François Hollande. It was then included on the agenda of the European Council on several occasions by its former president Herman Van Rompuy.

In January 2015, the Jacques Delors Institute published a study entitled: "From the European Energy Community to the Energy Union,"⁵ which presented a policy proposal for the short and the long term. Authors Sami Andoura and Jean-Arnold Vinois look at a number of measures conducive to progress on the path to a pan-European energy market with southern and eastern neighbours. These include creating bilateral mechanisms to prevent and manage crises, EU participation in financing the modernisation of the countries' energy systems, inclusion of energy provisions in bilateral trade agreements, technical assistance and public-private partnerships.

6. A strategy for human migration

A new framework for dealings with our neighbours must also include a global EU strategy for human migration – an urgent matter. Shipwrecks and tragedy are mounting in the Mediterranean. International migration flows are changing dramatically, and EU expectations and political responsibilities must focus foremost on humanitarian aid, securing external borders, and managing illegal immigration. While it is important to share the burden of fighting illegal immigration and refugee claims equally between EU Member States, it is also important to anticipate population decline in the Union and take measures with our neighbours to consolidate a legal immigration policy. Without new immigration, Europe's working-age population could shrink by 12% by 2030. This trend would result in shortages as early as 2020 and endanger our economies, the financing of our welfare systems, and the long-term health of our public services in upcoming decades.

In this context, the EU must more actively seek cooperation with countries of origin and transit via readmission agreements as part of a wider policy on legal immigration (readmissions in exchange for visas, for example).

There is a general consensus that mobility partnerships between neighbours and EU Member States, as proposed recently, should be pursued and developed further as a valuable incentive for our external partners. The same can be said for circular migration schemes, which are based on financial incentives for migrants who return to their countries of origin.

Most importantly, we must give our neighbours a medium-term outlook on our choices, goals and possibilities.

7. Revisiting certain bases: shared values

In addition to addressing the global strategies described above, the project of Ms. Mogherini and the Commission to overhaul the European Neighbourhood Policy must also re-examine certain principles figuring in current policy, such as the notion that the EU and its neighbouring partners share the same values. Such a condition is no longer relevant and does not reflect reality in most cases. Moreover it accentuates a lack of shared appropriation between parties and upholds a Eurocentric approach.

As such, the axiom upon which eastern and southern partners have committed to share the same values must be re-examined. It is also essential that the EU promote these values when it can via aid programmes and its policy to defend human rights within the limits of the countries concerned. It must also develop a firm policy to support civil society (business community, labour representatives, youth, women, the academic world) regardless of a country's power structure.

8. Political conditionality

Such change also requires a redefinition of two key ENP principles: political conditionality and differentiation between external partners. Association agreements – the primary legal instrument of the ENP – are contingent upon democratic progress in favour of free elections, rule of law, an independent justice system, and respect for human rights. These general principles were reformulated in specific commitments made in the agreed action plans of different countries. Experience in the last ten years has shown that the EU holds limited political influence in countries which are not actively pursuing EU membership. Even the promise of membership and 'incentives' such as visa waivers and financial assistance have only been somewhat successful in western Balkan countries.

The EU must therefore encourage governments to adopt better governance by ensuring that political

conditionality does not prevent closer ties. It must also be more coherent with the policies of Member States. In theory, Member States uphold the same policy principles, but generally prefer to delegate the promotion of democratic principles to European institutions while pursuing bilateral relations based solely on security, business and energy interests. This divergence has been palpable in our dealings with Arab countries in past twenty years.

9. Different differentiation in order to succeed

Such contradictions and limitations can be overcome by applying the principle of differentiation in dealings with EU partner countries in a more determined fashion and to a much greater extent than has been the case up until now. Given the diverse conditions in neighbourhood countries, and the pragmatic approach necessary today, differentiation could be the key to developing more realistic, efficient partnerships – at the risk of invalidating the coherence of the approach and even the concept of neighbourhood policy itself.

As a concrete example, what common approach and similarities could be applied in our dealings with Belarus and Morocco?

Possibilities for cooperation – both political and economic – with a country such as Belarus are limited. The Belarusian government is hardly democratic and economic ties – present and future – are insubstantial. Applying a policy of “more for more” makes little sense; a “less for less” policy would be more suitable.

At the other end of the spectrum, however, greater aspirations for cooperation are plausible with the Kingdom of Morocco. For one, the country has strategically pursued close ties with the EU and its Member States. It has expressed a desire to adopt our operating model and officially shares most of our values, while at the same time maintaining its non-European specificities. On this common ground Morocco is ready to work with us to defend the strategic interests mentioned above: security, migration, and energy dependence. In exchange, we could move things forward by developing more substantial and ample political dialogue and the idea of a common economic area defined by global and more encompassing free trade agreements, improved access for Moroccan products – especially agriculture – on the European market, and enhanced cooperation on energy, transport and climate change.

If Morocco responds to our ambitions by seeking to consolidate a zone of prosperity and peace with the EU, Europe must offer more – particularly in areas of critical importance to Morocco such as the mobility of people and financial aid for modernisation and economic development. This would come at a reasonable cost given the benefits for Europe: stability in the region and a relay to Sub-Saharan Africa through which to build a ‘vertical’ partnership between Europe, the Mediterranean and Africa⁶.

With how many countries could such a comprehensive policy approach be developed? Aside from Morocco perhaps with Tunisia and Jordan in the south and Georgia, Moldova and most definitely with Ukraine to the east. Special attention and efforts should be made with the latter. Differentiation and variable geometry are therefore the best way to derive the most benefit from our dealings with neighbours and best adapt to circumstances and pursued goals. This will of course require adapting our legal and economic instruments to the strategies adopted for individual partners.

Lastly, it is worth mentioning that differentiation should not replace the goal of enhancing the multilateral dimension of our relations, even though outcomes of the Union for the Mediterranean and Eastern Partnership have been, for the reasons described above, largely impacted and limited. In its role to promote regional cooperation, the EU must be patient and work tirelessly to cultivate conditions in which our own neighbours, both southern and eastern, can be better brought together. A union between Maghreb countries, for example, would be of irrefutable and decisive benefit to North African countries and the EU.

Conclusion

Based on the assessment of ENP outcomes and the profound political change in EU neighbourhood countries in recent years, the remodelling of the ENP requested by Ms. Mogherini and the European Commission is fully justified.

As we have pointed out, this policy needs to be at the heart of possible improvements to the Common Foreign and Security Policy – particularly in terms of key strategic goals in the area of security, immigration, and energy dependence. The use of political, legal, economic, and financial instruments should be aimed at preventing political radicalism and to fight terrorism and organised crime.

A re-examination of certain accepted truths and principles such as shared values and political conditionality is

also necessary. Greater differentiation in dealings with partners is needed to better accommodate their ambitions as well as the goals and interests of the EU and its Member States.

We are therefore tasked with a political exercise in which pragmatism and variable geometry must take centre stage to best accommodate the sweeping political and economic differences between our neighbouring countries.

Does this invalidate the general framework and very concept of a neighbourhood policy? We believe that a semantic, conceptual, and theoretical debate would be less useful than examining what common points remain among the countries involved after the “remodelling” process. We could then assess whether a single policy for all neighbours to the east and south still makes sense, produces added value, and better helps achieve newly defined strategic goals.

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