## BULLETIN

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## The European Neighbourhood and Partnership Instrument: New Programmes for 2011–2013

## Beata Wojna

In the new programmes adopted by the Commission on 2 March there are no changes to the general level of funds for the European Neighbourhood Policy or the designated purposes for which they are allocated. However, they do take into account changes that have occurred in regions surrounding the EU and in relations between the EU and individual neighbours. The Eastern Partnership initiative has had a large impact on the form of the programmes. Their adoption raises the question of financing for the European Neighbourhood Policy from 2013 onwards. It will be vital to create synergy between the EU aid, funding from international financial institutions and private investors in order to achieve the policy's goals in the financial perspective 2014–2020.

The documents adopted by the European Commission are sixteen national and multilateral programmes of the European Neighbourhood and Partnership Instrument (ENPI), which is the main source of funding for the European Neighbourhood Policy (ENP). They include a list of activities and EU funds for carrying them out in the years 2011–2013. When preparing the package the European Commission incorporated the findings of the mid-term EU budget review. New programmes are also envisaged soon for the Mediterranean region, cross-border cooperation and for Belarus.

**Bilateral Cooperation.** The new national programmes do not change the goals of the eastern neighbours' cooperation with the EU but they do take account of the modifications in relations between some of them and the EU as a result of the Russian-Georgian war or the Russian-Ukrainian gas dispute, as well as additional funding obtained thanks to the Eastern Partnership (EaP). They include in the current activities essential components of that initiative, such as the comprehensive institution building programme helping to improve the administrative capabilities of all its neighbours to the east, and in some cases (Armenia, Moldova and Ukraine) also elements of cohesion policy. Belarus is the only country to have had its previous national programme extended by one more year. Whether a new programme for 2012–2013 is adopted will certainly depend on the developing political situation there.

In contrast to the eastern neighbours, the new national programmes prepared for most of the southern neighbourhood countries are almost identical to the earlier ones. This does not mean of course that relations with them have come to a standstill, but there have not been changes in the southern neighbourhood policy requiring reassessment of the national programmes. The only exception is Morocco, where there have been significant changes to the way funds are distributed in view of preparations to move EU–Morocco relations to an "advanced" level, i.e. improvement of political and sectoral cooperation. There is a special case, and that is Libya. The commencement in 2008 of negotiations regarding the treaty framework for Libyan-EU relations encouraged the European Commission to prepare the first strategic document relating to that country and a three-year national indicative programme.

**Regional Cooperation.** The new initiative for multilateral cooperation in the EU neighbourhood triggered a review of the European Neighbourhood and Partnership Instrument regional programmes. Eastern Partnership caused a fundamental change of direction of the current regional programme in the east. Its new version is intended for Armenia, Azerbaijan, Belarus, Georgia, Moldova, and

Ukraine. Implementation will start in 2010 and activities and funds are intended to provide support for cooperation between those countries for the following four years. The regional programme in the east takes into account implementation of Black Sea Synergy, the Northern Dimension and the Baku Initiative, with the focus on their complementary nature. It is, however, distinctly structured around the Eastern Partnership, of which the structure, including in particular the institutionalization of multilateral meetings at various levels, makes planning easier. It could be stated that thanks to this new formula, regional cooperation in the east—extremely complex both in technical and organizational, and political terms—will gather momentum in the future.

In view of the difficulties with institutionalization of the Union for the Mediterranean due mainly to the Arab-Israeli conflict, the mid-term review of multilateral cooperation in the Mediterranean region is behind schedule, but the new programme can be expected to incorporate on a wide scale the contribution of the Union for the Mediterranean in terms of projects to Euro-Mediterranean cooperation, carried out since 1995 in the framework of the so-called Barcelona process. A new development is the appearance in this context of a permanent Secretariat based in Barcelona. This new institution, which was opened on 4 March, will monitor and prepare proposals for projects and seek non-EU funds for their implementation.

**Russia and the ENPI.** Russia is not part of the ENP but it is linked to it due to the possibility of participation in ENPI programmes: in the regional programme in the east and the inter-regional and cross-border programme.

The changes made to the regional programme in connection with the creation of the Eastern Partnership affect the possibility of Russia's involvement in multilateral cooperation in the east. Russia, which was fully involved in the last programme, is invited to take part in the Eastern Partnership activities on a case by case basis provided that it contributes to realization of the Partnership's goals and obtains approval from the other participants in the initiative.

In view of its important position in the region, Russia's involvement is highly desirable. The current situation could instead lead to it being excluded from the cooperation in the event that not all of the members of the Eastern Partnership give consent to Russian involvement. The solution is to draw up procedures within the Partnership that enable Russia to be involved in Eastern Partnership projects as far as possible. It is also important to strengthen other multilateral cooperation programmes, in particular the programme now in preparation for cross-border cooperation, which offers extensive opportunities for cooperation between Russia and the eastern neighbours.

Conclusions. A mid-term review of the ENPI is not a mechanism allowing fundamental changes to be made to the level and designated use of funds for the ENP. In 2011–2013 the neighbouring countries may receive €5.7 billion, which is the amount agreed for this goal in the current financial perspective, plus €350 million in new funds obtained for the Eastern Partnership. An appraisal of the current implementation of the ENPI has made possible changes to the national and multilateral programmes to modify the activities and spending over the next few years to reflect the changes that have taken place in relations between the EU and individual neighbours and new regional initiatives.

Reservations arise with respect to a lot of countries due to the low level of commitment to realization of national programmes. The review of the ENPI has shown that the implementation process takes a long time while it is hard to see any results, which can discourage even the countries that are eager to make changes from acting. In such a situation it would be advisable to pay more attention during future planning to making EU projects more visible and to introduce extra technical support with respect to making use of aid, as well as to simplify procedures.

In connection with planning for 2011–2013 there is the question of future funding of the European Neighbourhood Policy. The mid-term budget review, which will be completed in 2010, will lead to a debate over the financial perspective 2014–2020. Soon it will be time to consider how aid is to be allocated to neighbours from the EU budget and whether additional criteria strengthening positive conditionality (for example, assessing the capacity to absorb funds or achieve progress) should be added to the demographic criterion currently used, which gives two thirds to the south and one third to the east. It should be remembered that in addition to the ENPI, the loans granted mainly by the European Investment Bank are vital for the realization of the ENP. Steps should be taken to ensure that eastern partners have the same opportunities to obtain that aid as those in the south. It also seems that in the future it will be necessary to create mechanisms ensuring a larger portion of private funds. From this point of view, lessons learned from the activities of the Secretariat of the Union for the Mediterranean may turn out to be valuable for implementation of the ENP in the east. Creation of synergy between the EU aid, funding from international financial institutions and private investors will be vital in implementing that policy in the future financial perspective.