



EUROPEAN
COMMISSION

HIGH REPRESENTATIVE
OF THE UNION FOR
FOREIGN AFFAIRS AND
SECURITY POLICY

Brussels, 18.11.2015
SWD(2015) 500 final

JOINT STAFF WORKING DOCUMENT

Towards a new European Neighbourhood Policy

Accompanying the document

**JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL,
THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE
COMMITTEE OF THE REGIONS**

Review of the European Neighbourhood Policy

{JOIN(2015) 50 final}

Section 1 Executive Summary

This Staff Working Document (SWD) accompanies the Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Review of the European Neighbourhood Policy (ENP). It summarises the results of the public consultation on the ENP review as well as findings from existing evaluations relating to the ENP. In particular it aims to summarise and analyse responses to the public consultation submitted by the governments of Member States and partner countries, and by their parliaments and businesses, expert and civil society groups and international organisations.

There has been broad **support for the review of the ENP** with a view to increasing the relevance and effectiveness of the policy in the context of multiple crises and growing instability in the EU's neighbourhood.

The review posed some fundamental questions, including about whether the policy is still needed. **Most responses indicated that the policy is still deeply relevant;** all Member States and partner countries as well as the European Parliament expressed support for maintaining a common framework. The Foreign Affairs Council in April 2015 concluded that the ENP was a key part of both the EU's Common Foreign and Security Policy and other areas of the EU's external relations.

A number of respondents have said that the ENP has been successful in some countries (especially those that have signed Association Agreements/Deep Comprehensive Free Trade Areas with the EU, or are in the process of negotiating them), but that the ENP should respond better to the diversity of aspirations and challenges in the neighbourhood. The current Review aims to engage constructively with these critiques. Certain academics **suggest that the ENP has not brought the added value initially expected**, arguing that bilateral external relationships are far more effective than a loose framework such as the ENP.

Many contributors, including many Member States, the European Parliament and partner countries consider that **the geographical scope of the ENP should be maintained** but that there should be a **stronger focus on shared or common interests and greater** differentiation between countries. Others highlighted the importance of wider cooperation with third countries on issues such as energy (with Central Asia and Russia) or migration (with African countries beyond North Africa) and with the countries of the Arabian Peninsula, Turkey, Iran, Iraq, etc.

In terms of the formal structures of the policy, a number of submissions suggested that the existing **Action Plans were somewhat outdated and should be revised** to reflect current priorities, in line with the new generation of Association Agendas. Many submissions also suggested **changing the format of the annual ENP Package**. Although especially civil society and some international organisations felt the ENP and country Progress Reports were useful tools, some respondents criticised them as being too heavy. Some partners felt they were too one-sided or Euro-centric. There was a general consensus that the reports should be shorter, simpler and more focused and flexible.

Most of the submissions and evaluations support the idea that the ENP be reviewed on the basis of the principles of **differentiation, flexibility, focus and ownership**, as suggested in

the Joint Consultation paper. These are recommendations that are echoed in the evaluations of financial cooperation, especially in relation to regional programmes¹.

Several Member states and some think tanks/academics consider that the EU's "**comprehensive approach**" (endorsed also by the Council in May 2014) should be central and combine all the policy areas: diplomacy, security, finance, trade, development, human rights, justice, and migration. The EU should work closely in partnership with other international organisations on security and defence capacity building and with organisations such as the Organisation for Security and Cooperation in Europe (OSCE) for conflict resolution. The EU should also engage with the Council of Europe, the League of Arab States and Turkey and make more effective use of the Union for Mediterranean, the EaP and the Black Sea Synergy.

To sum up, there was agreement that in order to retain its relevance, the revised ENP must be more political, differentiated and focused, all the while based on the EU's values and principles.

Section 2 Introduction

The ENP was designed in 2003-2004 to develop closer relations between the EU and its neighbouring countries. In the South, the ENP partners are Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine², Syria and Tunisia. In the East, the partner countries include Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine. The principal objectives were strengthening the prosperity, stability and security of the EU and its neighbours, and preventing the emergence of new dividing lines between the EU and these neighbours.³

The political environment has changed substantially since the ENP's inception. For this reason, the European Commission and the Member States called for a review of the policy, with support from the partner countries. President Juncker launched a year-long review process at the beginning of the new Commission's mandate in November 2014.

The High Representative and the Commission put forward the Joint Consultation Paper *'Towards a New Neighbourhood Policy'* on 4 March 2015⁴ as the basis for a public consultation on the ENP. The Foreign Affairs Council welcomed this paper and the consultation process in April 2015.

The public consultation took place from March to June 2015. In total, 250 contributions were received in response to the consultation paper and in meetings arranged by the European External Action Service (EEAS) and the Commission with stakeholders from governments and international organisations, civil society, academia and the business community, both in the EU and in its partner countries. The European Parliament adopted a resolution on the

¹ Strategic evaluation of the EU cooperation with East and South ENPI regions (2004-2010): https://ec.europa.eu/europeaid/strategic-evaluation-eu-cooperation-east-and-south-enpi-regions-2004-2010_en

² This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

³ http://eeas.europa.eu/enp/about-us/index_en.htm

⁴ <http://ec.europa.eu/enlargement/neighbourhood/consultation/consultation.pdf>

review of the European Neighbourhood Policy on 9 July 2015.⁵

This Staff Working Document is based on the inputs received as part of the ENP public consultation process and on individual evaluations carried out by the Commission on specific thematic and country interventions in the ENP region since 2009. It aims to summarise the main lessons as identified in the public consultation and the evaluations⁶, from a decade of implementing the ENP. The Staff Working Document is not itself an evaluation of the policy. The SWD does not contain any data or quantitative information on the performance of the policy as a whole. Even where data are available on the economic, political and social situation in the neighbourhood countries, it is extremely challenging to assess the contribution of the ENP to the evolution of the indicators.

The EU's Better Regulation agenda⁷ was launched during the period of the public consultations on the ENP review. In accordance with this agenda, the future impact of the ENP will be monitored and evaluated as appropriate as the revised policy is implemented and the stakeholders involved in the public consultation process will continue to be consulted.

Section 3 Background

The EU's relationship with ENP countries is guided by the Article 8(1) of the Treaty on the European Union, which states 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*"⁸. These have been the objectives of the ENP since its inception. The Council in its conclusions of April 2015 also stated that: "The ENP aims to develop a democratic, stable and prosperous neighbourhood, based on a commitment to fundamental values, including the rule of law, the protection of human rights and gender equality."⁹

The ENP has been a framework for the development of bilateral policies between the EU and each partner country, and for the development of a regional approach in the Eastern and Southern neighbourhoods. To that end, the EU has developed a complex set of tools and instruments.

The ENP has been and remains distinct from the enlargement process. In accordance with the provisions of the EU treaty it does not prejudge, for European neighbours, how their relationship with the EU may develop in future.

Among the aims of the ENP has been the development of closer political and economic relations between the EU and its neighbouring countries. This has included possible political

⁵ <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2015-0272+0+DOC+XML+V0//EN>

⁶ The main limitation for the use of these evaluations is the fact that the scope of the different evaluations reviewed was not defined with the ENP review in mind and focused mainly on the implementation of the EU financial assistance. As a consequence, the different evaluations and documents reviewed do not properly address some of the issues brought up in the ENP review. In addition, evaluation of effectiveness and efficiency of an EU policy in regions outside the EU and outside the EU's control, where the political crisis were largely generated by the aggressive or assertive policies of other international players or by the internal economic, social and political factors of the neighbouring countries, pose important methodological challenges.

⁷ http://ec.europa.eu/smart-regulation/index_en.htm

⁸ <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:12012M/TXT>

⁹ <http://www.consilium.europa.eu/en/press/press-releases/2015/04/20-council-conclusions-review-european-neighbourhood-policy> They are in line also with the Joint Staff Working Document "Gender Equality and Women's Empowerment: Transforming the Lives of Girls and Women through EU External Relations 2016-2020": https://ec.europa.eu/europeaid/sites/devco/files/staff-working-document-gender-2016-2020-20150922_en.pdf

association and economic integration, with the prospect of increased access to the EU's single market. This option was designed to be progressive and underpinned by the implementation of challenging political, economic and institutional reforms, and a commitment to democracy, the rule of law and respect for human rights.

The ENP has also offered its partners a very concrete set of opportunities through its sector policies. These cover a broad range of issues, including trade, energy security, transport, research and innovation, health, education, culture and youth, employment and social policy, industrial and competition policy, agriculture and rural development, regional development, and climate change and environment.

The ENP has significant regional and multilateral co-operation dimensions: the Eastern Partnership¹⁰ (EaP) was launched in Prague in May 2009, and the Union for the Mediterranean was launched in Paris in July 2008¹¹ building on the Barcelona Process, the central instrument since 1995 for cooperation and integration in the Euro-Mediterranean region. There is also cooperation in the framework of the Black Sea Synergy.¹²

In 2010-2011, the EU reviewed the ENP¹³ to calibrate its response to the events of the Arab Spring and put a strong focus on the promotion of deep and sustainable democracy, accompanied by support for inclusive economic development. The EU also stressed the special role of civil society in the reform process, and its intention to support civil society more effectively. It also proposed the incentive-based approach ("More for More") to foster stronger partnerships with those neighbours that made more progress towards political and institutional reform, including in relations to free and fair elections; freedom of expression, assembly and association; judicial independence; fighting against corruption and democratic control of the armed forces.

The current review comes at a time when the neighbourhood is facing numerous challenges, and creative approaches are required to meet these challenges in the most effective manner. Security has become a great challenge across much of the neighbourhood. Since 2014 the Eastern Neighbourhood has been severely affected by the conflict in Ukraine, which has had strong negative effects on the region's economic and political landscape. In the Southern Neighbourhood, the continuation of the armed conflict in Syria, the conflict around the emergence and expansion of Da'esh, the conflicts in Libya, and the recurrent military confrontation in the Gaza Strip continued to affect the economies of the region and to hinder political and economic reform. The 'frozen conflicts' in the neighbourhood remain far from being resolved.

Section 4 Implementation state of play (Results)

¹⁰ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/107589.pdf

¹¹ http://ufmsecretariat.org/wp-content/uploads/2012/09/ufm_paris_declaration1.pdf

¹² http://eeas.europa.eu/enp/pdf/pdf/com07_160_en.pdf

¹³ http://eeas.europa.eu/enp/pdf/pdf/com_11_303_en.pdf

Since the launch of the ENP, a number of ENP partners have significantly deepened their cooperation with the EU, and the ENP has been able to provide considerable support for these countries' reforms. However, a number of partners have also experienced conflict and instability. Some face new and complex challenges that the ENP has been able to address only partially. Principles of democratic governance are embraced by only a few partners.

The EU has employed a variety of tools to implement the ENP. It upgraded its contractual relations with a number of partners, in several cases via Association Agreements, sometimes combined with Deep and Comprehensive Free Trade Agreements (DCFTAs); it negotiated Action Plans or Association Agendas with partners to drive reforms; Progress Reports were drafted to monitor the progress of cooperation and reforms; and sectoral cooperation was developed notably through dedicated agreements based on the specific focus of each partner country (e.g. in agriculture, aviation, energy, research and development). Visa liberalisation and visa facilitation processes have eased travel and cemented difficult structural reforms in the rule of law area. Mobility partnerships have contributed towards greater migration expertise, informed decision-making and increased migration management capacity, with assistance programmes to support these processes.

The Association Agreements/DCFTAs offer advanced integration with the EU in a wide variety of areas. The Association Agreements provide a blueprint for partner countries to develop good governance, improve justice and strengthen the rule of law. DCFTAs go beyond a classical free trade area and provide for the liberalisation of trade in goods and services. But they also include general provisions on the approximation of partner countries' legislation with relevant parts of the EU *acquis*.¹⁴

The past decade of the ENP's implementation, however, shows that partners' aspirations as to the depth of engagement with the EU differ. Relations with many partners therefore need to be formalised and developed in more diverse ways.

In parallel, the EU offered ENP countries technical and policy support and financial assistance for their reforms. Grants worth €12 billion were allocated to ENP-related projects in 2007-2013. In the 2014-2020 period, the European Neighbourhood Instrument (ENI) has a budget of €15.4 billion. Assistance provided to ENP partners through that channel follows the principle of differentiation and an incentives-based approach.¹⁵ Partner countries' association with a number of EU Agencies and programmes, such as Horizon 2020, Creative Europe and COSME (programme for the Competitiveness of Small and Medium-sized Enterprises), has broadened considerably since 2013. The Erasmus+ programme has also been opened to the ENP partners.¹⁶ The support was increased and adapted, wherever necessary, in case of emerging needs and urgency.

Under the ENP, trade relations between the EU and ENP countries intensified. The EU is the main trading partner for most ENP countries. In 2011 trade between the EU and its ENP partners totalled €230 billion and in 2014 it increased to €253.6 billion. Total EU trade with

¹⁴ Implementation of the European Neighbourhood Policy in 2014 Regional report : Eastern Partnership http://www.eeas.europa.eu/enp/pdf/2015/enp-regional-report-eastern_partnership_en.pdf

¹⁵ http://eeas.europa.eu/enp/how-is-it-financed/index_en.htm

¹⁶ The Eastern Partnership – a policy that delivers, Brussels, 21 May 2015: http://europa.eu/rapid/press-release_MEMO-15-5019_fr.htm

the eastern neighbourhood in 2014 was worth €65.6 million. In the same year, total trade between the EU and the southern neighbourhood was worth €188 billion¹⁷.

Mobility and migration have been challenging topics in the relations with most Southern partners, as further highlighted also by this year's migration and refugee crises. Yet regular migration and the mobility of people between the EU and ENP countries has significantly intensified over the past decade, especially in the East. In 2014, 3.7 million Schengen visas were issued to visa applicants from ENP countries. Moldova enjoys a visa-free regime since 2014. The Eastern Partnership (EaP) Summit in Riga (May 2015) noted the substantial progress achieved by Georgia and Ukraine in implementing their Visa Liberalisation Action Plans. On 15/16 June 2015 "the Council confirmed the agreement on the Joint Declaration establishing a Mobility Partnership between Belarus and the European Union".¹⁸

Under the Erasmus+ Programme for exchanges in higher education, the EU expects to fund over 15,900 EaP students from 2014 to 2020. Israel is the only Southern ENP partner to enjoy a visa-free regime.

The EU neighbours and adjacent third countries are also the EU's energy security partners, both as sources and as transit countries. Energy security has featured high on the agenda of the ENP and its sectoral cooperation, and there is strong shared interest in furthering cooperation. The EU's energy security has been negatively affected by the crises in the East and in the South.

Consequently, the EU has initiated measures for increased energy security in collaboration with its neighbours. Energy interconnections in the EaP region have been improved in the last years: natural gas reverse flow capacities to Ukraine from the EU have been enabled; the Iasi-Ungheni gas interconnector has been inaugurated in 2014 and preliminary work has started on the Isaccea-Vulcanesti electricity interconnector with the Republic of Moldova. Work has advanced considerably on the Southern Gas Corridor, the expansion of the South Caucasus Pipeline, the Trans-Anatolian Pipeline and the Trans-Adriatic Pipeline.¹⁹

Progress has also been made on integrating the respective transport systems following the approval of the EaP regional transport network in Luxembourg in 2013 and its inclusion in the indicative TEN-T maps; work is also underway on the proposed inclusion of inland waterways in the agreed network and on preparing future investments in the infrastructure²⁰. The Regional Action Plan for the Mediterranean Region covering the period 2014-2020 aims at a regulatory reform and convergence process in all transport sectors, with a view to establishing an integrated multimodal Euro-Mediterranean transport network, to be connected to the TEN-T maps.

Environment and climate change were also the focus of cooperation. Many regional programmes addressed waste and water issues, nature protection and greening the economy. The partner countries improved implementation of multilateral environmental agreements and made efforts to include environmental considerations in all sectors of the economy.

¹⁷ "Implementation of the European Neighbourhood Policy in 2014". "SWD (2015) 77 final".

¹⁸ Justice and Home Affairs Council meeting: http://www.consilium.europa.eu/en/meetings/jha/2015/06/outcome-of-the-council-meeting_en.pdf

¹⁹ The Eastern Partnership – a policy that delivers: http://europa.eu/rapid/press-release_MEMO-15-5019_fr.htm

²⁰ http://eeas.europa.eu/enp/pdf/2015/enp-regional-report-eastern_partnership_en.pdf

Only some of the ENP countries have made progress on economic growth and reforms. Indeed standards of living remain very low or stagnant in many partner countries. There has also been a general deterioration in democracy, human rights, the rights of the persons belonging minorities, the rights of lesbian, gay, bisexual, trans and intersex (LGBTI) people, gender equality indicators and political stability indicators in many ENP countries²¹.

Details on indicators related to the economic, political and social situation and their evolution over the years are available in the ENP annual packages²². The effect of the ENP on the evolution of these indicators remains extremely difficult to measure, given the influence of the various internal and external factors of a political and economic nature that have affected the region.

Section 5 Method

This Staff Working Document draws on input received through the public consultation and different evaluation reports. It analyses the following sources of information:

- The public consultation based on the joint EEAS/Commission paper "*Towards a New Neighbourhood Policy*", which was published on the European Commission's 'Your Voice in Europe' website on 4 March 2015 and was accessible until 30 June 2015. It was open to all stakeholders, with a dedicated webpage and an email address. There were 145 contributions from a wide range of stakeholders: public authorities (international organisations, EU bodies, local governments and national parliaments); civil society organisations²³ (including among others NGOs; think tanks, academic institutions, civil society partners, business organisations) and individual citizens. The replies received were published on the dedicated webpage.
- Feedback received during consultations and events with EU Member States, partner countries, international organisations and EU bodies, civil society, European and international social partner organisations (trade unions and employers' organisations), business partners and think tanks. These consultations took place in Brussels, in some Member States and in partner countries.
- EU Member States' and partner countries' non-papers (discussion documents) shared with the EEAS and the Commission, as well as substantive consultations with partner countries during the Barcelona informal ministerial meeting of the EU and Foreign Ministers of Southern ENP countries (13 April 2015); the Luxembourg meeting of EU and Eastern Partnership Foreign Ministers (20 April 2015); the Riga Summit of EU Member States and Eastern Partnership countries, and the meeting in Beirut of Foreign Ministers of Arab ENP countries (21-22 May 2015).

²¹ Implementation of the ENP Statistics in 2014: http://eeas.europa.eu/enp/pdf/2015/enp-statistics-report-2014_en.pdf

²² http://www.eeas.europa.eu/enp/documents/progress-reports/index_en.htm

²³ According to the EU's 2012 Communication on civil society, the EU's definition of Civil Society Organisations includes community-based organisations, non-governmental organisations, faith-based organisations, foundations, research institutions, Gender and LGBT organisations, cooperatives, professional and business associations, and the not-for-profit media. Trade unions and employers' organisations, the so-called social partners, constitute a specific category of CSOs.

- Relevant EU council conclusions²⁴ and European Parliament resolutions.²⁵
- The annual ENP Packages progress reports and the EEAS/Commission's implementation papers²⁶;
- A synthesis of strategic evaluations carried out by the European Commission on financial cooperation in the region over the last two years, plus selected earlier evaluations (references to evaluations are footnoted throughout the text). All evaluations carried out by the European Commission since 2009 were screened with the caveat that these evaluations were not designed in order to contribute to this review and did not address policy questions. They are varied in nature: country evaluations (Palestine, Jordan, Georgia); thematic evaluations (on security and integrated border management, private sector and trade related assistance, and on human rights and fundamental freedoms, with global focus); evaluations of the delivery methods (with one meta-evaluation on budget support and one focusing on Morocco; evaluations of specific instruments (SIGMA²⁷, with wider focus than just Neighbourhood region), and finally an evaluation of regional programmes. Two evaluations were on the level of instruments: evaluation of MEDA II regulation to contribute to the preparation of the European Neighbourhood Partnership Instrument (ENPI)²⁸, and report on legal instruments, including ENPI 2007-2010 to contribute to the preparation of the multiannual financial framework (MFF) after 2013. Given the dramatic changes resulting from the Arab spring, the conflicts in Syria, Libya and in Ukraine, any evaluation findings or recommendations made before these events or in relation to actions which took place prior to these events have been analysed with the most recent developments in mind.
- A review of selected literature produced in 2015, specifically addressing geo-political and economic changes in the ENP region.

However, to test the content of the policy and perform a more in-depth assessment of its effectiveness and efficiency in particular, a large data collection exercise in the form of an evaluation would have been necessary. This constraint has meant that the stakeholder opinion along the available studies have been the main source of evidence for this work.

Section 6 Feedback received: assessing the ENP

This section analyses the feedback received as part of the public consultation as well as lessons learned from past financial cooperation. It aims to assess the continued relevance of

²⁴ Among others, Council Conclusions 20 April 2015: <http://www.consilium.europa.eu/en/press/press-releases/2015/04/20-council-conclusions-review-european-neighbourhood-policy/>

²⁵ Among others, European Parliament Resolution of 9 July 2015 on the review of the European Neighbourhood Policy (2015/2002(INI)) <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2015-0272+0+DOC+XML+V0//EN>

²⁶ Among others, Implementation of the European Neighbourhood Policy in 2014, Brussels, 25.March 2015

http://eeas.europa.eu/enp/pdf/2015/joint-communication_en.pdf ;

Neighbourhood at the Crossroads: Implementation of the European Neighbourhood Policy in 2013, Brussels, 27 March 2014:

http://eeas.europa.eu/enp/pdf/2014/joint_communication_en.pdf

²⁷ SIGMA (Support for Improvement in Governance and Management) is a joint initiative of the EU and the OECD. Its key objective is to strengthen the foundations for improved public governance. See Evaluation of programme Support for Improvement in Governance and Management (SIGMA) for European Neighbourhood Region (2008-2013): https://ec.europa.eu/europeaid/evaluation-programme-support-improvement-governance-and-management-sigma-european-neighbourhood_en

²⁸ http://ec.europa.eu/europeaid/how/evaluation/evaluation_reports/reports/2009/1264_vol1_en.pdf

the ENP and its objectives, the frameworks' added value, the policy's interaction with other interventions, and its design and implementation; effectiveness and efficiency. This is not an exhaustive assessment.

i. How relevant is the ENP and its objectives for the EU and its Neighbours today?

Most of the submissions received in the public consultation conclude that the EU needs to continue to promote the stability and prosperity of its immediate neighbourhood. This **objective remains deeply relevant**, albeit in a neighbourhood that has changed dramatically since 2003-2004.

Submissions from Member States, partner countries and civil society organisations highlighted that a close and special partnership between the EU and the neighbourhood countries was needed and warranted given the geographical proximity, historical links, and current interests and challenges in terms of security, trade, migration and energy. Some also highlighted democracy and human rights, woman's rights, rights of the LGBTI people, rights of the people belonging to minorities. Member States have also suggested the ENP offers a good framework for preferential cooperation with a wide range of partners.

An overwhelming majority of contributions (from Member States, partner countries, the European Parliament and independent actors) felt that the revised ENP should remain a single framework for the EU's relations with the ENP region as a whole.

Most submissions recognised that the ENP has responded well to the needs of those partners that have sought the most ambitious levels of cooperation with the EU. The countries, although not in the majority, have seen the successful provisional application of the AA/DCFTAs, and progress on visa-liberalisation and wide-ranging reforms, underpinned by EU financial and technical support.

Many submissions also concluded that countries that have not chosen to align with EU norms and standards should be able to pursue a **different type of** relationship. Differentiation and **flexibility** were strongly supported by all Member States and partners. The revised ENP will therefore strengthen the principles of differentiation and flexibility and seek to apply them to countries individually.

Most submissions highlighted the importance and the added value of regional cooperation. The EaP needs to be further strengthened, and a more strategic approach needs to be developed in the Southern Neighbourhood. Given the different ambitions of partners, the submissions suggest that more needs to be done to ensure the continued relevance of each regional framework. A dedicated evaluation pointed out that some of the regional programmes failed to duly reflect the diversity of the two ENP regions, for instance in that "the objectives pursued through the implementation of the regional strategies in the two regions did not always correspond to the main priorities of each of the ENP countries, resulting – at times - in a lack of commitment by the partner countries"²⁹. The lack of

²⁹ Strategic evaluation of the EU cooperation with East and South ENPI regions (2004-2010): https://ec.europa.eu/europeaid/strategic-evaluation-eu-cooperation-east-and-south-enpi-regions-2004-2010_en

linkages with the other levels of interventions (at bilateral, cross-border and inter-regional level) was pointed out by the same evaluation.

ii. What is the framework's added-value?

As reflected in the Treaty on the European Union, developing special relations with EU neighbours based on the promotion of EU's values is an important EU objective. To this end, the EU deployed a plethora of political, technical and financial instruments, following the principles set out in the EU comprehensive approach.

A particular added value of the ENP framework was that it galvanised more of these resources than would have been possible for individual Member States or in bilateral partnerships between the EU and an individual partner country. At the same time, Member States collectively endorsed the bilateral policies between the EU and the partners, including the respective contractual bases and the Action Plans, giving them additional legitimacy and political backing.

Furthermore, the EU was able to engage more effectively with the partners on issues, which are an exclusive EU competence, such as trade (offering access to the EU single market). Specific instruments, like SIGMA, TAIEX³⁰ and twinning³¹) are appreciated specifically for their responsiveness, flexibility of approach and the concrete EU expertise provided. In Jordan, the country evaluation emphasised that it was the EU that, together with other actors, instigated, through the policy dialogue, significant reforms in the energy sector (especially in relation to renewable energy and energy efficiency).³²

The majority of submissions to the consultation and evaluations conclude that the EU has played a strong role in supporting the reform processes in the most ambitious partner countries. However, they emphasise that in those partner countries with a limited interest in aligning with EU norms and standards, the impact was less evident and in some cases negligible. The same observation was made in the strategic budget support evaluation, which highlights the limited scope of reforms addressing governance issues.³³

Responses also suggested that although coordination and complementarities between the EU institutions and the Member States offer great potential, this needs to be better utilised in practice. Many contributions concluded that improved coordination of political, financial and human resources and technical expertise is essential. This was seen as particularly important in relation to trans-national issues, such as the fight against terrorism and organised crime, the migration crisis, transport and energy connectivity, and climate change and environmental challenges.

iii. How does the ENP interact with other policy interventions?

³⁰ TAIEX is the Technical Assistance and Information Exchange instrument of the European Commission. TAIEX supports public administrations with regard to the approximation, application and enforcement of EU legislation as well as facilitating the sharing of EU best practices. See the TAIEX evaluation report (http://ec.europa.eu/enlargement/pdf/financial_assistance/phare/evaluation/2015/2014-346665-1-taie-ex-evaluation-report-final.pdf), though the evaluation does not cover interventions in the Neighbourhood region.

³¹ An instrument created by the EU enabling the involvement of EU experts in supporting capacity development and institutional transformation in beneficiary countries.

³² Strategic Evaluation of EC Cooperation with Hashemite Kingdom of Jordan: https://ec.europa.eu/europeaid/evaluation-eu-cooperation-hashemite-kingdom-jordan-2007-2013_en

³³ Synthesis of budget support evaluations (2010-2014): https://ec.europa.eu/europeaid/synthesis-budget-support-evaluations-2010-2014_en

Bilateral Action Plans drafted under the ENP have provided for a **consistent** framework for the development of bilateral relations and the pursuit of a wide agenda of reforms.

However, there has not always been consistency between the policies of the EU and those of Member States. Many submissions underline the need for **greater consistency between the internal and external strands of EU policy in the fields of security, migration and energy**. A large proportion of submissions suggest it would significantly help increase the impact of the ENP if Member States were more involved in its design and implementation, and if there were more coordination and information sharing to make programming more targeted, effective and conflict sensitive. Shared analysis, common strategic vision, prioritising prevention and mobilising the different strengths and capacities of the EU Member States are all key. Coordination with development policy should also be stronger – for examples with actions funded under the EU's Instrument contributing to Stability and Peace (IcSP).

Some submissions from think tanks suggested that the ENP is not a single policy, but rather a toolbox which includes instruments from a range of different policies (e.g. trade, energy, security, migration, development and humanitarian aid). They argue that these individual tools should in fact be used in more effective ways outside the ENP framework. Discussions with Member States and internal consultations with EU bodies suggested however that the existence of the ENP framework enhances commitment to using the individual tools, and the necessary financial, expert and operational resources.

Many respondents pointed to challenges in specific sectors. For instance several said that the EU is too often unable to speak with one voice on energy security and consider that insufficient Member States' coordination on external energy policies and insufficient Member States' involvement in the EU's external energy partnerships hamper efforts to achieve energy security. This can be evidenced by the difficulties encountered in building an integrated energy market in the neighbourhood and in completing the Southern Gas Corridor. Cooperation that takes place under the ENP is, however, a result of consensus among all the stakeholders – and this cooperation has brought significant results, especially in the EaP.

Evaluations also suggest that the **coordination** of regional and bilateral programmes is also suboptimal. For instance, evaluations have shown that there is little coordination between bilateral programmes, regional programmes and investment facilities in relation to private sector development, an area in which EU aid is intended to come from a combination of bilateral aid, regional PSD programmes and regional investment facilities.³⁴ According to another evaluation³⁵, Palestine is also an example case of the lack of consistency between the implementation of financial cooperation, the EU's official discourse and actions taken by individual Member States.

iv. ENP Design and Implementation: effectiveness efficiency and dilemmas

Many critics of the ENP point at the security, governance and migration challenges in the neighbourhood arguing that **the ENP has failed** to achieve its goal of building a circle of

³⁴ Thematic Evaluation of the EU's Support to Private Sector Development in Third Countries – Algeria, Jordan, Morocco and Ukraine: https://ec.europa.eu/europeaid/strategic-evaluation-eu-support-private-sector-development-third-countries-2004-2010_en

³⁵ Strategic evaluation of the EU cooperation with the occupied Palestinian Territory and support to the Palestinian people (2008-2013): https://ec.europa.eu/europeaid/strategic-evaluation-eu-cooperation-occupied-palestinian-territory-and-support-palestinian-people_en

well-governed states around the EU. They say that the ENP brand brings no added value to the EU or its partners, and that the single framework encourages a process-based focus rather than one based on impact and **effectiveness** and that this has been highlighted by recent crises.

However, a majority of respondents appreciated the value added by the framework which paved the way for initiatives as ambitious as the conclusion of the AA/DCFTAs between the EU and three ENP countries, and galvanised the Member States support for the ENP.

In fact, most respondents recommended that current challenges in the fields of security, migration and energy be addressed in a broader format in collaboration with **both the ENP countries and their neighbours**, where appropriate. Many, however, felt that for this to happen, the current geographical scope could usefully be left unchanged, and **thematic cooperation** could be effectively built up to include third parties, if necessary. The idea would be to work in a flexible manner at a regional level on key issues such as migration and energy, and include also the **neighbours of ENP partners**. For example to work with Sahel, Horn of Africa and Turkey on migration; or with Turkmenistan, Kazakhstan, Turkey, and possibly Iran and Russia on energy. Member States have asked to play a stronger role in such cooperation but they also cautioned that it was the sole right of the EU and its partners to decide in a sovereign way on how they want to proceed in their relations.

Some of the respondents also stressed the need to be aware of the objectives pursued by the Russian Federation with regard to its neighbours. Respondents felt that constructive cooperation with Russia could potentially be beneficial in terms of addressing the common challenges. However, many pointed out that such cooperation would need to be consistent with EU's overall policy and relations with Russia and take due account of the state of relations between the ENP partners and Russia.

In this context, some Member States, think tanks and academics, as well as the European Parliament's Foreign Affairs Committee report on the ENP made clear the importance of pursuing **ongoing regional cooperation**, in particular the Union for the Mediterranean, the Eastern Partnership and the Black Sea Synergy. A minority of responses suggested splitting the ENP into two dedicated policies – one for the East and one for the South.

Many critics also challenged some of the formal tools the policy has used. Some think tank authors consider that the ENP **Action Plans and Progress Reports** are not suitable for many ENP countries and consider that the time, effort and EU resources that go into preparing the ENP reports are disproportionate to the practical results they generate in the ENP countries. Some partner governments also criticised these documents. However, civil society groups in particular consider that the ENP Action Plans and Progress Reports are useful tools for encouraging democratic reforms. Submissions from partners and civil society groups suggest that there is a strong case for **lighter procedures**.

Most contributions, including those from the Member States and the partner countries, expressed the view that in practice, the ENP has followed too much of a "one-size-fits-all" approach. Many were strongly in favour of much **greater differentiation** and tailoring approaches to partners based on their actual needs, and the interests they share with the EU.

Responses by partners and Member States indicated that the ENP interventions are too scattered and addressed too many different sectors, often in insufficient depth. They called

for the ENP to be better **focused** prioritising a few key areas. Most responses support the areas identified in the Joint Consultation Paper. However, various agencies, associations and civil society organisations have also called for greater focus on **other areas**, including climate change, the environment, rural livelihoods, humanitarian assistance, social protection networks, cultural collaboration, gender equality and the empowerment of women.

A number of responses from both governments and non-governmental organisations underscore the issue of **security**. The Council stated that the ENP 'should contribute to promoting stability in the neighbourhood in line with the "comprehensive approach" and the external dimension of other relevant EU policies such as the area of Freedom, Security and Justice.'³⁶ The current ENP review therefore reflects the need to intensify the focus on security, and to increase cooperation with partners in line with the EU's comprehensive approach. This cooperation would include capacity building. The Commission placed strong emphasis on national ownership at both policy and programming levels while working on security and justice but its focus on state institutions and its programming procedures significantly constrained its ability to tailor Justice and Security Sector Reform (JSSR) assistance effectively³⁷.

Several respondents (Member States, think tank/academia authors) mention the limited **effectiveness** of the EU's response to conflict situations in ENP countries. They say that the EU has not sufficiently developed its **conflict management** capacities and practice.

There was a suggestion from some EU Member States and think tank and academics that the EU should develop its institutional capacity for strategic analysis. They suggest that the EU should **improve its capacity and the capacity of partner countries to fight** against terrorism, to counter the extremist narrative, and to fight against organized crime and corruption. The EU should support capacity building and reforms in the sectors of security and defence, police, justice, border management, cyber-security, energy security, and reducing economic vulnerability together with civil society conflict prevention and peacebuilding initiatives. They also suggest that the EU should promote a more political, strategic and security-oriented approach in the ENP, based on stronger coordination between the ENP and the Common Foreign and Security Policy (CFSP) and Common Security and Defence Policy (CSDP). Member States suggested that the EU should aim for closer coordination between ENP and wider CFSP/CSDP activities.

Several Member States, members of the business community, think tanks, academics, civil society organisations and the European Parliament, suggested that the EU focus on **energy security** for the EU and for ENP countries in tandem with effective **climate** policies. The EU should support **the diversification of energy sources and routes** for the EU and also promote energy efficiency and renewable energy initiatives. Several respondents said that the EU should support the construction of **infrastructure for energy and transport interconnectivity** between ENP countries and the EU. Some respondents suggested that the new ENP should address the increased vulnerability of the infrastructure in both the EU and the ENP countries to the impacts of climate change and environmental challenges.

³⁶ http://www.eeas.europa.eu/statements/docs/2013/131211_03_en.pdf

³⁷ Thematic Evaluation of the EC Support to Justice and Security System Reform (JSSR): https://ec.europa.eu/europeaid/strategic-evaluation-eu-support-justice-and-security-system-reforms-third-countries-2001-2009_en

In light of the ongoing **migration crisis**, many respondents also called for the ENP to be used as a framework for addressing more **effectively** the root causes of the issue in partner countries.

The need for **economic development** (including the digital economy/ICT as a driver for growth) was raised in many answers. Some NGOs also felt that the ENP framework should address environmental and climate challenges, and sustainable development goals. The country evaluation on Tunisia praised the overall effectiveness of the EU approach, which contributed to stabilise economic management and public financial management whilst supporting structural reforms in the direction of the liberalisation of the economy and its integration in the Euro-Mediterranean zone³⁸.

Trade is broadly considered an area of shared interest for the EU and ENP countries and many answers from governments, the business community, NGOs, think tank and academics were in favour of further developing trade relations. The partner countries and their business communities asked for wider access to the EU market. Many submissions said that the DCFTAs offer significant access to the EU market for partner countries' products. Some think tank and academics criticised the DCFTAs as being too demanding of ENP countries, introducing too many "*acquis*", norms and standards or putting too much pressure on their economies and on their administrative capacity.

Some respondents (think tanks, some partner governments, MEPs etc.) criticised the "West" for perceived attempts to "impose its own norms and standards", "Western values" and certain economic interests in the ENP regions.

Other respondents (some Member States and some partner countries, civil society) and the European Parliament resolutions asked for the EU to do more to promote its values, supporting democracy, human rights, rule of law and civil society, the rights of the persons belonging to minorities, rights of LGBTI people, gender equality and woman's empowerment.

Several Member States, think tanks, and business community stakeholders) indicated that **a better balance needs to be found between promoting values and interests (including stability and security in the neighbourhood)**. They said that the EU should recognise that approximation to EU rules and standards was not for everyone. Some partner countries were unstable, while some partner governments did not subscribe to EU values and did not want closer integration with the EU, but were interested in economic cooperation and stability. Therefore, according to some think tanks and academics, more pragmatic ways of engaging with those countries had to be found, on the basis of shared interests (such as stability, security, energy, migration and trade). However, several Member States and civil society stakeholders emphasise that promoting the EU's interests, differentiation and focus must **not entail the loss of the values-based agenda**.

Many submissions (from Member States, partner countries, think tanks, academics, and civil society stakeholders) recognised that some partner countries were committed to EU values, democratic reforms and closer integration with the EU. Those countries should therefore

³⁸ Strategic evaluation of the EU cooperation with Tunisia (1995-2008): https://ec.europa.eu/europeaid/strategic-evaluation-eu-cooperation-tunisia-1995-2008_en

receive more substantial support. Some stakeholders were in favour of offering the possibility of **EU membership** (under the Article 49 of the Treaty on European Union) to Eastern European countries that implement the necessary reforms. They insisted on the need to preserve the transformative power of the EU and its attractiveness for partners. They considered that the lack of a clear possibility of EU membership for the East European countries has a negative impact on their implementation of their reforms and on the ENP's **effectiveness**. However, several Member States and think tanks emphasised that EU enlargement is not the purpose of the ENP. The Joint Consultation paper of 4 March stressed that President Juncker has stated in his political guidelines that no further enlargement will take place in the next five years.

The public consultation addressed the issue of incentivising reform with conditions and discussed the **incentive-based approach ("more for more")**, intended to provide greater support to the most ambitious reformers. The consensus between partner country governments, most EU Member States, experts and civil society organisations was that for the most part, the 'more for more' principle had not been fully **effective** in providing the necessary incentives for further reforms in the partner countries. In some cases the partner countries said that this principle has not contributed to an atmosphere of equal partnership between the EU and the ENP countries. However, some Member States, the European Parliament, civil society and other experts considered that implementation of the "more for more" principle has been **effective** in the case of the ambitious ENP partners who opted for a stronger partnership with the EU accompanied by democratic reforms.

On the whole, respondents did not address the **efficiency of the ENP programmes**. According to the **evaluations**, **efficiency** was not a particular strength in the delivery of financial assistance, mainly due to cumbersome procedures, but also to weak capacity in partner countries. Where instruments have been set up to respond to crisis situations, ownership and the robust design of programmes have sometimes been sacrificed in the name of faster delivery. The cumbersome or ill-adapted procedures, makes it particularly difficult for smaller civil society organisations and social partner organisations (trade unions and employers' organisations) to get involved in project implementation.

A mid-term review of financial instruments, including a specific evaluation of European Neighbourhood Instrument, is to take place **in 2017**. The efficiency of the ENI will be analysed more deeply in that context and there will also be a public consultation, which will ultimately inform the impact assessment process required for the MFF beyond 2021.

The European Parliament Resolution on the ENP states that the EU must match its ambitions of increased engagement in its neighbourhood **with sufficient funding, namely through the upcoming 2017 review** of its external financing instruments.³⁹

The European Parliament resolution and some experts suggested that the amounts of grant assistance available from the EU are **too small and pale into insignificance compared** with the assistance that regional and other provide, southern neighbours in particular. They said the levels of the EU assistance do not provide a sufficient incentive for reforms. By contrast, other actors do not make financial support and investment conditional on the respect for human rights and democracy. However, other experts highlighted that some ENP partner

³⁹ <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2015-0272+0+DOC+XML+V0//EN>

countries were among the recipients of highest amount of EU assistance per capita in the world. They also suggested that financial incentives would not be enough on their own to prompt wide-reaching reforms or social change.

There was a focus on modes of aid delivery in public and internal consultations. Many respondents queried the effectiveness of budget support as a mode of aid delivery for partners with less interest in reform. However, budget support operations were also seen as **successful**⁴⁰ in supporting improvements in the general and sectoral legislative frameworks, and generally recognised as having contributed to significant reforms in some ENP countries. An **evaluation** of budget support upheld the notion that transaction costs are lower under budget support than under other aid delivery arrangements.⁴¹ The same evaluation also suggests that budget support has been much more effectively used in the context of genuine partnership, where partners are committed to the reforms and international partners work in a coordinated way.

Like the public consultation, some of the evaluations also indicated that the **effectiveness** of EU interventions had been hampered by **structural issues** in the partner countries. They emphasised that commitment to serious political economic and social reforms was a prerequisite for progress in implementing reforms, and that steady commitment was sometimes lacking. Moreover, as the result of limited economic and functional integration within the Eastern and Southern neighbourhood, regional programmes did not always manage to address areas that corresponded to partner countries' national priorities⁴².

Many submissions criticised cumbersome procedures for having a negative impact on EU's policy interventions, which were seen as insufficiently **flexible** and versatile. On the other hand, partners appreciated that in case of urgency, special procedures accounted for impressive efficiency gains, such as for instance in case of granting unilateral trade preferences for agricultural products from Moldova when it faced Russian trade restrictions.

Many submissions stressed the need for more effective **communication** of the benefits of cooperation with the EU. The main criticism was that the EU has failed to explain the cooperation in an accessible way. The EU does not use simple enough language and **effective** ways to reach out to citizens in partner countries. In the East, a large number of respondents felt the EU communication policy did little to challenge the misinformation propagated by some Russian media. Similarly, Da'esh propaganda was deemed by many not to have been sufficiently countered in the Southern Neighbourhood or within the EU.

The Member States, the European Parliament, think tanks and civil society organisations all recommended designing a more **effective** and impactful EU communication strategy. There was consensus that the promotion of the EU's visibility has not been sufficient. They recommended the EU develop real strategic communication, capable of influencing the debate within partner countries on topics such as extremism, corruption, human rights and governance.

⁴⁰ Synthesis of budget support evaluations (2010-2014): https://ec.europa.eu/europeaid/synthesis-budget-support-evaluations-2010-2014_en

⁴¹ For instance, in Tunisia, the framework for delivery of General Budget Support, fully harmonised between the three providers (EC, WB and ADB), served to reduce transaction costs considerably.

⁴² Evaluation of the European Union support to two Neighbourhood policy regions (vol. 1): https://ec.europa.eu/europeaid/strategic-evaluation-eu-cooperation-east-and-south-enpi-regions-2004-2010_en

Several civil society organisations, think tank and academics considered that the EU Member States that joined the EU most recently could be a great support to EaP countries, given their own transition experience. The EU should therefore support cooperation and the sharing of experience between EaP partners and those EU Member States, as well institutional twinning projects and support job creation. Several NGOs and think tanks said that an effective EU communication and some visible gains in the short term were necessary e.g. people-to people contacts, student exchanges, visa facilitation for some categories of citizens, visa liberalisation for Georgia and Ukraine (when they are ready), engagement with stakeholders (civil society, business, academia). The EU should **win hearts and minds**.

An important theme highlighted in the responses to the public consultation contributions was partners' ownership. **Ownership** was described as essential in terms of greater impact of policies, more tailor-made approaches buy-in to difficult reforms, and the **effectiveness** of reforms. **Many submissions from governments and some think tank authors suggested a stronger role for EU Member States and partner countries** both in the design and implementation of the ENP, notably identification of priorities.

All civil society respondents, the European Parliament and many governmental responses stressed that the EU should focus not only on inter-governmental contacts but should also put a greater emphasis on engaging with civil society, including social partners, business associations, academia, citizens, local and regional authorities, and do more to promote people-to-people contacts. It should make funding more accessible particularly by making procedures less bureaucratic. Civil society organisations said that there are too many intermediaries between the EU and the stakeholders in ENP countries. The EU's engagement is also needed also in order to support democracy and human rights, gender equality and women's empowerment, rights of the people belonging to minorities, and the rights of LGBTI people, to increase co-ownership and **partnership with society** in ENP countries.

Section 7 Conclusions

In 2015 the EU finds itself confronted with a neighbourhood characterised by many challenges (conflicts, resurgent extremism, migration, poverty, corruption, fragile states, serious deterioration of democracy and human rights situation etc.) with only a few countries committed to courageous political and economic reforms. The ENP needs to be better equipped to deal with these challenges and support the partners that are continuing on their path towards further reforms.

The public consultation overwhelmingly supports the **continuation of the ENP framework** for the EU's relations with its neighbours. The Member States, the European Parliament, the partner countries and most civil society respondents share this view. Most respondents also feel the ENP is key for both the EU's Common Foreign and Security Policy and other areas of the EU's external activity, reflecting the Council's conclusions in April 2015.

The Member States further confirm that the neighbourhood is a strategic priority and a fundamental interest for the EU and that the EU must have a special and **more effective relationship** with its neighbours.

The findings of the public consultations show that the EU needs to increase the scope for **differentiation** in the way it works with its partners, including through cooperation under regional programmes. **Greater differentiation** will result in different relationships with different neighbours.

The ENP also needs to be **more focused** on areas that are of interest to the EU and its citizens.

The ENP needs to be more **flexible**. This means being able to respond rapidly to changing circumstances and crises, including in relation to the use of the EU's financial instruments.

The new ENP should foster greater **ownership**, reflecting the views and experience of the partner countries (government and civil society). The EU should develop a true partnership of equals based on shared interests, while always promoting universal principles of democracy and human rights.

A stronger role for EU Member States and partner countries is required in the design and implementation of the policy, notably in identifying priorities for cooperation, and ensuring that sufficient resources are available to pursue those priorities (including more joint programming of EU and Member States funds together).

A large number of stakeholders expressed the view that the EU needed to strengthen its engagement with partners in the field of security cooperation. In addition, civil society stakeholders underlined the need to focus on human security – the security of citizens and communities and to implement this aspect of security in full respect of the principle of differentiation, the respect of human rights, fundamental freedoms and the rule of law.

The responses also suggested that the EU promote the more effective **communication** of the benefits of the policy to people in the partner countries.

The Joint Communication on the Review of the ENP which accompanies this Staff Working Document sets out recommendations for how to take this process forward.