



# **TIME TO RESET THE EUROPEAN NEIGHBORHOOD POLICY**

Stefan Lehne



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## About the Author

**Stefan Lehne** is a visiting scholar at Carnegie Europe in Brussels, where he researches the post-Lisbon Treaty development of the European Union's foreign policy with a specific focus on relations between the EU and member states.

From 2009–2011, Lehne served as director general for political affairs at the Austrian Ministry for European and International Affairs. Prior to that position, from 2002–2008, he served the General Secretariat of the Council of the European Union as director for the Balkans, Eastern Europe, and Central Asia. Previously, he was head of the Task Force for Western Balkans and Central Europe. He has held a number of other appointments in the Austrian Ministry of Foreign Affairs and was a researcher at the Austrian Institute for International Politics.

Lehne's work on issues of European foreign and security policy has been widely published in a number of academic journals, including *Integration*, the *Austrian Journal of Political Science*, and *Europa Archiv*. In addition, he has authored a number of monographs on the Conference on Security and Cooperation in Europe.



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## Summary

Through its European Neighborhood Policy (ENP), the European Union (EU) aims to support the structural transformation of its Eastern and Southern neighbors, promoting democracy, the rule of law, and successful market economies. Ten years after the ENP's launch, it is clear that the policy is not working. Adjusting the ENP to the changing reality on the ground, sharpening its tools, and rebuilding its credibility should be a top priority for the EU's foreign policy leadership.

### Conceptual Flaws and Incoherent Implementation

- Today, the ENP includes sixteen countries in the Middle East, North Africa, and Eastern Europe that share little except a certain geographic proximity to the EU.
- The ENP's methodology is derived from the EU's enlargement experience. But accession to the EU is not promised.
- This approach does not work for countries that do not want close association with the EU, and the absence of the carrot of future membership frustrates those who do.
- Designed for long-term engagement in a stable environment, the ENP's instruments are ill-suited for the rapid change that characterizes much of the EU's neighborhood today.
- The EU insists on conditionality in its relationships with its neighbors but frequently applies those conditions inconsistently and selectively.
- The ENP is Eurocentric in conception and often ignores the roles outside actors play in the EU's neighborhood.
- The policy overemphasizes bilateral relationships, overlooking the fact that many of the neighborhood's problems require a regional approach.

### Recommendations for the EU Leadership

**Undertake a fundamental review of the ENP.** A new EU leadership will take office in 2014. The new team should initiate a broad discussion of the parameters of an ENP II and launch the renewed policy in 2015.



**Expand the ENP framework to include all neighboring regions.** This engagement should be tailored to particular countries and subregions. Enlargement methodology should be reserved for those partners that can and want to develop a close relationship with the EU.

**Improve the ENP toolbox.** Enhance the capacity for action with rapid impact and boost support for regional and subregional cooperation.

**Develop a more sophisticated approach to promoting democratic values.** Aim for a policy that is more responsive, employs a variety of tools, and systematically involves civil society.

**Strengthen the ENP's political leadership.** To more closely tie the ENP to the EU's broader foreign policy, it should be placed directly under the authority of the high representative for foreign affairs and security policy. EU member states should more actively participate in running the new policy.

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## The State of the Neighborhood

The European Neighborhood Policy (ENP) was conceived as the European Union's (EU's) alternative to traditional geopolitics. Through long-term, in-depth engagement, including financial support, trade agreements, and arrangements for easier travel, the ENP would promote structural reforms in the EU's partner countries. The policy was meant to help those partners become democratic states governed by the rule of law with prosperous economies that would share in the benefits of the EU's internal market. Ten years after the launch of this policy, it is clear that this plan has not worked.

Today, many of the EU's neighbors are more distant from the union than they were before. The neighboring regions have become increasingly unstable, and economic transition has slowed down. In the East, the EU has slid involuntarily into competition with Russia, and for the moment, it is not winning. In the South, the tremendous dynamics of political change and the emergence of new actors threaten to render the EU's already limited and insufficiently coherent engagement largely irrelevant.

The sources of these difficulties run deep. Since its establishment, the ENP has been plagued by conceptual flaws and implementation problems. A far-reaching review of the policy is needed. The next phase of the ENP should be more comprehensive, more flexible, and above all more political. It should combine long-term structural engagement with better instruments for short-term impact. And it should have far stronger, consistent backing from the member states.

In view of the increasing turbulence in the EU's neighboring regions, remedial action cannot wait any longer. The EU will be renewing its entire top leadership by the end of 2014. Launching a fundamentally renewed ENP should be a top priority for the new team.

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## Thwarted Ambitions

The ENP initiative was launched in 2004 to avoid new divisions in Europe after the EU gained ten countries, mainly from the former Soviet space. The policy was initially meant for the Eastern European neighbors of those new member states. At the insistence of countries in the EU's south, the program was extended to ten countries of the Southern Mediterranean and eventually to the Southern Caucasus. Today, the ENP includes Algeria, Armenia,

Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, Palestine, Syria, Tunisia, and Ukraine.

With the ENP, the EU aimed for an approach that would go beyond the traditional foreign policy of interacting with the neighboring countries according to ad hoc developments and short-term interests. Through long-term engagement, the ENP would support the deep structural transformation of the EU's partner countries, promoting democratic reforms, the rule of law, and a successful market economy, which could be progressively integrated into the EU's own internal market. The hope was that over time, this would result in a partnership with an area founded on the values of the union.

In practice, this means that the partner countries develop action plans setting out their agendas for political and economic reforms. Annual reports by the European External Action Service—the EU's foreign policy arm—and the executive power, the European Commission, assess the progress achieved. The EU supports these countries through financial assistance, with €12 billion (\$16 billion) offered from 2007 to 2013 and a similar level of funding envisaged for the period to 2020. The ENP offers improved EU market access for the most advanced countries in the form of a Deep and Comprehensive Free Trade Area aimed at the progressive integration of these countries into the EU's internal market. The EU also promises easier travel through “mobility partnerships” as well as technical assistance.

The model for this approach is the EU's own experience of economic integration. The methodology is drawn from the EU enlargement process, which had a proven track record in supporting successful political and economic transitions. However, what is on offer for the neighborhood is “enlargement lite,” a diluted version of the original without the promise of accession and with a much weaker commitment on the side of the EU.

It is therefore not without irony that the titles of the EU's strategic documents on the ENP reveal a preoccupation with “strength.” A 2006 document includes “On Strengthening” the ENP in the title, while a text published in 2007 uses “A Strong ENP.” The latest communication from 2013 has the subtitle “Working Towards a Stronger Partnership.” This emphasis betrays the considerable and well-justified anxieties of the authors regarding the effectiveness of their policy.

In fact, there is hardly any other external policy of the EU with a larger gap between its stated objectives and the actual outcome. The initiative was supposed to bring about “an area of prosperity and good neighbourliness, founded on the values of the Union,” according to Article 8 of the EU Treaty. Even before the ENP formally came into being, former high representative Javier Solana's European Security Strategy described the future neighborhood as a “ring of well governed countries,” and former European Commission president Romano Prodi noted that the EU would share “everything but institutions”

with its partners. Yet, ten years after the launch of the ENP, the situation in the neighborhood could hardly be further removed from these lofty objectives.

Not only has the ENP failed to achieve its aims in the last ten years, but the EU has also lost influence and soft power in its Southern and Eastern neighborhoods. What went wrong?

## The Return of Old Politics

The ENP's shortcomings were starkly revealed by the extraordinary dynamic of political developments in some of the regions with which it is concerned. "Old politics" has returned with a vengeance. Neighboring regions have experienced dictatorships and state failure, bullying behavior by big neighbors, international and civil wars, revolutions, insurgencies, political and religious strife, military coups, and terrorist attacks.

Indeed, the EU's neighborhood is more fragmented than ever. To the south, for instance, the high hopes that the Arab uprisings that began in 2011 would usher in a democratic transformation of the Middle East and North Africa have been disappointed as—with the exception of Tunisia—authoritarian tendencies are regaining ground. The countries that experienced revolutions remain in turmoil, and the Syrian civil war threatens to destabilize neighboring Lebanon and Jordan. To the east, assertive Russian power politics have challenged the EU's influence. Some ENP partners have drifted further away from the EU, rather than moving closer toward it.

With its limited capacity for diplomacy and crisis management, the EU did its best to address these issues. EU mediation in the Russia-Georgia war of 2008, various initiatives to revive the Middle East peace process, and High Representative Catherine Ashton's diplomatic efforts following the Egyptian coup that ousted Mohamed Morsi in summer 2013 are positive examples.

The EU even adopted an ENP review document in response to the Arab Spring and to counter the embarrassment of many years of collusion with the authoritarian regimes of Arab states. The new paper placed a stronger emphasis on building "deep and sustainable democracy" and reformulated EU conditionality in the form of the "more for more" principle, which promises closer partnership and more incentives for countries that have made progress on reforms.

Overall, however, the EU's response to these challenges proved inadequate. Rather than shaping developments, the EU often found itself on the defensive. This does not mean that the EU's ambition of supporting structural change in neighboring regions was mistaken. But it has become very clear that the EU needs even more urgently to develop its capacity to contribute to a stable environment in which such efforts have a real chance of success.

## Faulty Conceptual Framework

To develop tools better suited for today's challenges, the EU will first have to reexamine whether the overall policy framework is the right one.

ENP partners diverge in almost every respect, from their levels of economic development and their cultural and historical backgrounds to their political systems and orientations. It is of course also true that EU member states are themselves a rather heterogeneous group. But in the EU's neighborhood, the differences are far greater.

The one characteristic the sixteen ENP partners have in common is a certain geographic proximity to the EU. But even in this regard, the perspective of countries that share a land border with the EU differs from that of countries on the southern shores of the Mediterranean that are separated from the EU by a large body of water.

There is a vast divergence in these countries' attitudes toward the EU. Some, like Moldova, have a vital interest in close cooperation with the EU, as they are heavily dependent on the union in terms of trade and financial assistance and as a place of work for many of their citizens. Meanwhile, for others the EU is just one of a number of international partners, and not necessarily the most important one at that. Azerbaijan and many countries in the South fall into this category.

Any attempt to develop a single conceptual framework applicable to such diverse countries was bound to be difficult. The EU recognized the need for some regional differentiation when it established the Union for the Mediterranean in 2008 and the Eastern Partnership in 2009. These were designed to promote regional cooperation in the South and East, respectively, complementing the primarily bilateral approach of the ENP.

Notwithstanding these initiatives, the very concept of the ENP is somewhat arbitrary. Participation is determined neither by the interests of the EU nor by the aspirations of the neighbors but by the rather empty concept of geographic proximity. However, geographic closeness in itself is a poor indicator to the importance of a relationship.

If the EU were to take a functional approach to neighboring regions based on key EU interests such as trade, energy, migration, and counterterrorism, it would need to adopt a considerably broader concept of neighborhood that includes all of the Middle East, the Horn of Africa, the Sahel, and Central Asia. That is in part because today's challenges stretch across borders, which the case of Libya illustrates. As weapons from former Libyan leader Muammar Qaddafi's arsenal have spread throughout the region, the link between security developments in North Africa and the Sahel has become evident. And the rising economic and political importance of Central

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Asia has highlighted the need for the EU to engage with these countries in a more structured and substantive manner.

If the point of the ENP initiative were instead to help countries that have a genuine interest in sharing in the economic and eventually the political integration of Europe, then participation should be more narrowly defined. The entire ENP methodology, drawn from the enlargement process, makes little sense for countries that do not aim for a very close and substantive relationship with the EU.

Yet, the ENP does not suit the most ambitious partners either. Unlike its approach to the Western Balkans, the promise the EU makes to ENP states of participation in European integration stops short of offering the perspective of eventual accession. Countries like Ukraine, Moldova, and Georgia feel ambivalent about the ENP because they believe it promises too little. For others, like Azerbaijan and a number of countries in the South, the ENP seems to be asking for too much in terms of adjustments and reforms while offering only modest rewards.

While enlargement can be a powerful force for reform, the course of the implementation of the ENP has demonstrated that enlargement does not work well if it is dispensed in homeopathic doses.

## Eurocentric Illusions

The rise of other actors, often pursuing different and competing objectives, has also hampered the ENP's implementation. The EU's approach to its neighborhood has been characterized by a rather naive, Eurocentric attitude.

The EU initially saw itself at the center of its universe and neglected the strength of other actors. It eventually became apparent that those other actors could not be ignored, as in the case of Russia's attitude toward Eastern European countries. In response, the EU needed to integrate its ENP interests successfully into an effective and coherent foreign policy, but it did not.

When the ENP was first launched in 2004, Moscow showed little interest in the initiative. But when the EU set up the Eastern Partnership in 2009, Russia's attitude toward the project quickly turned openly hostile. As much as the EU stressed that the initiative was not directed against Russia, and that reforms and economic development of the Eastern European states would benefit Moscow as much as the EU, Russian President Vladimir Putin continued to view the Eastern Partnership as a zero-sum game in which any step by these countries toward the EU constituted a setback for Russia. In 2011, together with Kazakhstan and Belarus, Russia launched its own alternative integration project, a Eurasian customs union, and invited other post-Soviet states to

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join. Against its will, the EU was slipping into a geopolitical competition with Russia, a scenario for which it was badly prepared.

While Putin knew exactly what he wanted, EU member states have long been divided with regard both to relations with Russia and to the desirability of integrating Eastern Europe into the EU. Although some EU members enjoy long-standing positive relations with Moscow, others—particularly the newer member states—continue to look at Russia as a potential threat. While certain members feel that Ukraine, Moldova, and Georgia should be given a perspective of future membership in the EU, a number of others remain deeply skeptical about initiating another wave of accessions.

In the absence of a coherent political strategy for the EU, the technocratic logic of the European Commission prevailed. The commission completed negotiations on Deep and Comprehensive Free Trade Agreements (DCFTAs) with Kiev, Chişinău, Tbilisi, and Yerevan.

When the question of compatibility between the DCFTA and membership in the Eurasian customs union was posed, the commission took the view that countries would have to choose one or the other. This was certainly the correct response in the narrow context of trade policy, but in the context of geopolitics it was problematic. In fact, it contradicted the EU's established approach of offering partners closer ties to the EU while encouraging them to maintain and develop their relations with Russia. The combination of Putin's zero-sum strategy and the commission's technocratic logic placed the partner countries in the extremely uncomfortable situation of suddenly having to choose between the EU and the Russian option.

In the run-up to the Eastern Partnership summit in Vilnius, Lithuania, in November 2013, at which the DCFTA with Ukraine was supposed to be signed and those with Moldova, Georgia, and Armenia initialed, Moscow employed trade sanctions, threatened to cut off energy supplies, and, in the case of Armenia, threatened to withdraw military support to exert pressure on these countries. Shortly before the summit, Armenia opted for the Eurasian customs union, and Ukraine gave up on the DCFTA. Only Moldova and Georgia remained on board. In December 2013, Putin rewarded Kiev's decision not to sign the DCFTA with a massive package of benefits including €11 billion (\$15 billion) worth of credit, the elimination of trade sanctions, a lower gas price, and projects for industrial cooperation.

Initially, this was perceived as a triumph for Moscow's hardball approach, but the reactions on the streets of Kiev have shown that the EU's soft power should not be underestimated. A large part of the Ukrainian population strongly opposes renewed dominance by Moscow and feels that association with the EU offers a far better path to modernization. The issue is far from settled. In fact, it is likely that Ukraine's future alignment, and probably that of some other Eastern European countries as well, will continue to go through twists and turns for years to come.

The EU ought to draw a number of conclusions from the Vilnius fallout. The union has a strong interest in the successful political and economic transition of its Eastern neighbors, so its support for these countries—and in particular for the pro-reform forces—needs to become more concrete and tangible. The union should also work to overcome its internal divisions and build a common understanding of its longer-term objectives in the region, including on the question of future accessions. In its current configuration, the ENP does not answer these questions satisfactorily. Nor is the ENP an appropriate instrument for geopolitics. The EU needs to continue to engage with Russia and, through substantive offers of regional cooperation and inclusive trade arrangements, try to persuade it to overcome its zero-sum approach. That might be an uphill struggle at present, but even Vladimir Putin will not be in charge forever.

In the South, the EU does not face a sole opponent as it does in the East with Russia. Instead, a number of players with their own agendas have emerged. The EU remains the most important trading partner and the primary source of foreign investment in its Southern neighborhood, but it is not the only game in town. Apart from the United States, which, despite its pivot to Asia, remains enormously influential, Turkey, Russia, China, Saudi Arabia, and Qatar are increasingly important players in the region.

The engagement of these actors reduces the relative importance of the EU's efforts and thereby also its clout. The EU's pledge of approximately €5 billion (\$7 billion) to Egypt following the overthrow of then president Hosni Mubarak in 2011 sounds impressive, for instance, but that sum consisted to a large extent of repackaged existing commitments and involved a lot of conditionality and burdensome procedures. The disbursement of this pledge will take a long time. Saudi Arabia and the United Arab Emirates, by contrast, pledged €5.9 billion (\$8 billion) after the 2013 military coup. This money arrives more rapidly and without so many strings attached. Understandably, therefore, Cairo does not get too worried about EU conditionality.

Both in the East and in the South the EU operates today in a more complex and competitive environment than at the beginning of the ENP effort. If it wishes to preserve its influence and regain the initiative, the EU will have to break out of its Eurocentric approach, upgrade its economic and political incentives, and greatly enhance cooperation with external actors.

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## Inconsistent Conditionality

The ENP's underlying philosophy, another legacy of enlargement, is that the partner countries share a basic commitment to the EU's values and desire a process of development that follows an EU template. Hence, progress on



democratic reforms should go hand in hand with developing closer relations with the EU. And conditionality should turn the ENP into a motor of democratic reform in the partner countries.

From the beginning, however, the EU was selective and inconsistent in applying conditionality. Belarus, governed by a nasty authoritarian regime and with no major EU interests at stake, got the full dosage of conditionality, including sanctions and the denial of most of the benefits of the ENP. Yet, despite considerable human rights shortcomings, Azerbaijan, an important energy partner, was treated with considerable leniency. With regard to the Arab states in the post-9/11 geopolitical climate of the ENP's early years, the EU assigned priority to maintaining stability and barely even paid lip service to the promotion of democratic values.

In the wake of the Arab Spring, the EU declared a renewed emphasis on promoting “deep democracy” and pledged to apply conditionality more systematically but once again found it very difficult to go through with this in practice. Taken literally, the application of the “more for more” approach (which also implies “less for less”) would mean that the EU's relations with most countries of the Southern neighborhood—possibly excepting Tunisia—would have to be frozen, as there is insufficient progress and even regression on democratic reforms.

The EU, moreover, found out during the course of the Arab Spring that its assumption that all partner countries were trying to emulate the European model was mistaken. In fact, some of the new elites wish to develop their countries in conscious contrast to the European model and display open hostility to “more for more” conditionality.

Promoting democracy, respect for human rights, and the rule of law remain fundamental objectives of the EU's foreign policy, but the experience of the ENP has shown that a mechanistic approach will not work. To put conditionality at the heart of the policy in theory and then to ignore it in practice undermines the EU's credibility.

A better approach would be to accept that there are situations, such as the risk of state failure, when both the interests of the partner country and the EU's interests demand more engagement regardless of the level of reform. Conditionality should be considered as just one important instrument in a broader strategy to promote values. Linking EU support to the attainment of carefully defined reform benchmarks can indeed sometimes have transformative impact. But at other times, other instruments such as support for civil society, people-to-people contacts, political messaging, or quiet diplomacy will have better results.

The EU needs to become better at defining its objectives and to develop a more sophisticated methodology that allows it to respond intelligently to the evolving situation in individual partner countries. It would also help the EU's effectiveness in this area if the member states were to back up the union's efforts

more consistently. Currently, member states sometimes “outsource” the promotion of values to the EU while taking care of (business) interests themselves.

## Disengaged Member States

While the member states provided the initial impetus for both the conceptualization and the implementation of the ENP, the European Commission dominated the process from the beginning. Through the EU Council, the member states play an important role, but with the exception of a few summit meetings on the Eastern Partnership and the Union for the Mediterranean, only the commission and the European External Action Service engage with the partner countries directly. Once again in this regard, the ENP is an offshoot of the enlargement process.

But whereas on enlargement the commission has a political profile and is accepted by the candidate country as the single most important interlocutor, the EU institutions lack similar authority regarding the ENP. The incentives they can offer to partners for cooperation are often not sufficiently strong to give them real credibility, and the governments of partner countries accustomed to the simpler structure of state-to-state relations are often bewildered by the institutional complexity of the EU.

Several member states have considerable clout in the neighborhood and could—if they wanted to—greatly enhance the EU’s overall role. However, they usually pursue their own bilateral foreign policy vis-à-vis partner countries independently of, and often without much regard for, the ENP. As a result, the ENP takes on a techno-bureaucratic character that limits its impact. Because of this, the European External Action Service and the European Commission had to report in spring 2013 that most of the key recommendations for reforms in the partner countries had not been implemented.

The lack of coherence between the collective efforts under the ENP and the politics of the member states is particularly evident when it comes to regional conflicts. Although stability is supposed to be one of the key objectives of the ENP, the EU has hardly made any progress in contributing to a resolution of tensions in its neighborhood—whether in the dispute over Western Sahara or in the frozen conflicts of the Southern Caucasus, let alone the turmoil in the Middle East. Frequently, it has been a particular position of one of the member states or its involvement in a peace process that has stood in the way of more active EU engagement.

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## Too Little, Too Slowly

Yet, the tools themselves are also flawed. The core elements of the EU's offer to ENP partner countries have been summed up as the "three Ms": money, mobility, and markets. Indeed, financial support, easier travel conditions, and enhanced access to EU markets are central concerns of the EU's neighbors. However, the EU's instruments to deliver on these offers were designed for a more stable environment.

Following the Arab Spring, the EU initially increased its financial assistance to the region by €1 billion (\$1.4 billion) and increased lending by the European Investment Bank and the European Bank for Reconstruction and Development. But its response fell far short of the mobilization that happened after the fall of the Iron Curtain, when Europeans launched massive support for reforms and institution building. On the contrary, the European Commission's proposal for more resources for external relations in the 2014–2020 budget has been cut substantially, as have the development cooperation budgets of many member states.

The promise of greater mobility for the people of Eastern Europe, the Middle East, and North Africa runs against a public climate in many European countries that is dominated by concerns over illegal migration. Mobility partnerships were conceived as packages of measures combining improved access to legal migration channels, such as expanded scholarship programs for students and visa facilitation with steps to strengthen border management and to control irregular migration. While a number of such agreements have been concluded with the EU's neighbors, their rather modest substance falls short of the ENP partners' initial expectations of significantly enhanced mobility.

The EU's flagship market-access initiative, the Deep and Comprehensive Free Trade Area, has run into trouble for political reasons in the East and seems to be too technically demanding for most partners in the South. In terms of other trade concessions, in the current economic climate, Southern EU member states are reluctant to open up the EU market to agricultural products from the Southern Mediterranean.

Certainly, many of the ENP programs and projects make a valuable contribution to the development of partner countries. The present EU approach, however, disappoints on two crucial counts. First, the engagement is not intensive enough and the local buy-in is not strong enough to allow for the long-term structural transformation of the partner countries that the ENP envisages. Second, the current EU approach does not allow the union to respond adequately to rapidly changing circumstances. As a result of the way it is structured at present, EU engagement works only if it takes place in a stable environment. Even budgetary support takes many months of complex procedures to pass through the EU machinery. Trade and association agreements as well as mobility partnerships require years of work on both sides.

Apart from humanitarian assistance, the EU has few instruments that can have a rapid impact and thereby allow it to shape short-term development. It is, however, precisely such instruments that are needed in the context of the uncertainty and turmoil that marks most of the neighborhood today.

## Too Much “Hub and Spokes”

The ENP also claims to promote regional cooperation but so far has not really delivered on this promise. The multilateral forums of the Eastern Partnership and the Union for the Mediterranean have achieved only modest significance. The ENP’s main focus has remained the development of bilateral relationships between the EU and each partner country.

To some extent, this is inevitable, as it is the only way to take into account the huge differences between the partner countries. At the same time, however, it leads to the EU ignoring the fact that many of the persistent problems in the neighborhood are regional in character and that the solutions to these problems must also be developed on that level.

The Southern Mediterranean, in particular, remains one of the least economically, socially, and politically integrated parts of the world. Economic development is held back by the lack of infrastructure and insufficient intraregional trade and economic integration. Key issues in this area such as energy, water, migration, crime, and terrorism also need to be discussed in a multilateral regional setting.

Given its vast experience in regional cooperation, the EU has a lot to offer in this area. But to be effective, it has to strengthen the regional and multilateral instruments of the ENP. Engaging the entire neighborhood together does not make sense in view of its heterogeneity. Instead, the EU needs a multilevel approach based on “variable geometry” involving various subsets of partners according to the functional requirements of the subject area at hand.

Not only should the activities of the Eastern Partnership and the Union for the Mediterranean be expanded, the EU should also systematically engage with existing regional forums such as the Arab League, the Arab Maghreb Union, and the Organization of Islamic States.

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## Toward the ENP II

The need for the EU to promote its values and to protect its interests effectively in neighboring regions has never been more urgent than it is today. Turbulence is on the rise, and the potential implications for the EU’s prosperity and security

are becoming more serious. The ongoing disengagement of the United States has shifted further responsibility toward the EU.

However, it is unlikely that the EU can have a significant impact within the current framework of the ENP. Adjusting the approach to the new reality on the ground, sharpening the ENP's instruments, and rebuilding credibility should be top priorities for the EU's next leadership team. Phase two of the ENP should be different from the current approach in ten key ways.

### **Targeted Neighborhood Policies**

The idea of a single set of standards and procedures that could be applied across the board to the entire neighborhood has proven unworkable for the EU, too ambitious for most of the partners, and not sufficiently attractive for some of them. The concept of one single neighborhood policy has failed.

The EU should focus on putting together a well-equipped toolbox that supports the development of multiple neighborhood policies tailored to the specific aspirations, needs, and circumstances of the individual partners, as well as a more active regional and multilateral approach.

### **An Expanded Framework**

It would also make sense to enlarge the ENP framework to include all surrounding regions—Central Asia, all of the Middle East, the Horn of Africa, and the Sahel—where important EU interests are at stake. The EU has had good experiences with regional substrategies, such as its approach to the Horn of Africa and the Sahel. Extending this practice to other subregions would allow the EU to better take into account regional challenges and promote regional cooperation. These substrategies should be systematically integrated into the ENP framework.

### **More Focused Application of Enlargement Methodology**

Enlargement methodology, including action plans and progress reports, should be reserved for those partners that have a genuine interest in and the capacity for developing close relations with the EU. Such methodology could include the approximation of EU rules and standards with an eye toward economic integration with the union's internal market. If sufficient progress is achieved, the EU should not shy away from opening up the prospect of accession to Eastern European partners, such as the Moldova, Georgia, and Ukraine.

### **Tailor-Made Engagement**

The EU's engagement in particular countries should be fine-tuned and tailored to their specific situations. The substance of the EU's approach should not be defined by the traditional ENP action plan, which reflects the priorities of the respective partner governments, but jointly by the EU institutions and the

member states. The EU delegations should play a leading role in preparing the substantive elements, which should be reviewed and adjusted on a regular basis.

### **Deeper Regional Cooperation**

The EU needs to place greater emphasis on cooperation with regional organizations and on crossborder links, regional infrastructure, and regional trade and cooperation. A larger portion of the ENP's resources should be devoted to programs supporting regional and subregional cooperation structures. Apart from promoting better economic integration and regional synergies among ENP partners, this should also include further efforts to enhance the capacity of regional organizations for crisis management. The EU special representatives to conflict areas can play an important role in this regard.

### **Rapid Impact**

Long-term structural engagement covering trade, mobility, financial support, and assistance for institution building will remain fundamental in a renewed ENP. But these tools need to be complemented by an enhanced capacity to respond rapidly to a changing situation. This should involve increasing the flexibility of programming for existing instruments and overall speedier delivery of support, as well as the addition of new instruments that can be rapidly deployed and can have a tangible short-term impact.

### **More Effective Democracy Support**

Democratic values should be promoted through a smarter and more flexible methodology that matches priorities and incentives to the particular situation in a partner country. The chosen approach should enjoy the full backing not only of the EU institutions but also of the member states. Stronger support for civil society organizations and the systematic use of new media could also enhance the EU's effectiveness in this area.

### **Stronger and More Political Leadership**

To regain credibility and momentum, the ENP must overcome its current image of a techno-bureaucratic project. Reinforcing the political leadership of the ENP should therefore be a top priority.

Currently, the high representative, Catherine Ashton, and the European commissioner for enlargement and the ENP, Štefan Füle, share authority over the ENP. Though they have generally worked well together, it would make sense to place the ENP directly under the authority of the high representative (who is also a vice president of the European Commission). This would more closely tie ENP efforts to the EU's foreign policy and security priorities and strengthen the link to the member states. One European commissioner could

be assigned the task of assisting the high representative in this function and could act as deputy high representative.

### **Deeper Member State Involvement**

In order to promote the alignment of national-level foreign policies in support of the ENP's collective efforts, the member states should be systematically involved at all levels in shaping and implementing the EU's engagement. That ranges from diplomatic missions on the ground to more frequent discussions of ENP-related issues among EU foreign ministers. Enhancing the multilateral dimensions of the ENP would also facilitate the engagement of EU member states.

### **Engaged International Actors**

The EU needs to better coordinate its efforts with other influential international actors. In spite of its reduced commitment, the United States still enjoys great influence and therefore remains a crucial partner. Cooperation with Turkey and the Gulf states also offers great potential. One of the highest priorities should, however, be to persuade Russia to end its zero-sum approach to the common neighborhood. Firm resistance to any notions of zones of influence must be combined with serious offers of involving Russia in regional cooperation and inclusive trade arrangements.

## **A Truly Strong ENP**

Certainly, the EU today is in many respects a global actor. But it is undeniable that most of its interests still relate to its neighbors. And it is also in these regions that the EU and its member states have considerable if somewhat diminishing clout.

Getting the neighborhood policy right is therefore fundamental to the EU's chances to protect its interests and promote its values. This is crucial for the union's future as an international actor. And the neighborhood remains the ultimate test of the EU's ability to develop a truly comprehensive external policy. Only if the EU learns to pull together its various instruments and assets can it make a meaningful contribution to the stability and development of neighboring regions.

Renewing the ENP should be high on the agenda of the new EU leadership team that will take office toward the end of 2014. Realistically, no major decisions can be expected before 2015. However, the coming months should be used for a substantive discussion about the parameters of a major reform of the ENP.





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