

# European Neighborhood Policy: Some Conclusions in a Country - Specific Framing

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## *Abstract*

*After 2007, European Neighbourhood Policy made progress in terms of consolidation and focus. Besides, under the Lisbon Treaty, the ENP became more composite and more or less better defined, improving its monitoring procedures. The European Union tendency to be more effective in promoting growth and prosperity in the neighborhood brought benefits as well as challenges.*

*Thus, under an interpretative methodology authors analyze the existing literature on European Neighbourhood Policy and afferent official European Union documents regarding the foreign policy in order to reflect both opportunities and limitations of the European Neighbourhood Policy implementation in neighbor countries. In fact, present paper is rather a summary of some general outcomes in a country-specific framing (that of Republic of Moldova-the poorest country of Europe). However, at the end of this article we conclude with some strengths that define the European Neighbourhood Policy a coherent and ambitious policy for Moldova despite all global challenges.*

**Keywords:** *European Neighborhood Policy, Action Plan, conditionality, Lisbon Treaty, European Union.*

**JEL classification:** M19, M10.

## **Introduction**

Having the purpose to promote good governance and reform by offering new incentives, the European Union (henceforth: EU) is a power of attraction for neighbor countries (henceforth: NCs). Likewise, the EU keeps going through its newest Policy – European Neighborhood Policy (henceforth: ENP) by which it aims the values' sharing within promotion of reforms in its neighborhood, pursuing security, stability and prosperity. Meanwhile, the neighbor countries within ENP also follow some objectives, aiming to reduce poverty, to promote economic growth, to protect environment and social cohesion.

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Among these NCs, Republic of Moldova was also invited to enter into intensified economic, political, and cultural and a security relation with the EU. In this context, Moldova is engaged to share values, aiming the effective implementation of political, economic and institutional reforms. Thus, the level of ambition of the relationship will depend on the degree of Moldova's commitment to common values as well as its capacity to implement jointly agreed priorities.

Therefore, the Action Plan (henceforth: AP) was the first step, covering a timeframe of three years. In fact, this was a good opportunity for Moldova to successfully fulfill the provisions in the Partnership and Cooperation Agreement. It also encouraged the Moldova's objective of further integration into European economic and social structures. Thereby, the adoption and implementation of economic and trade-related rules and regulations with the potential to enhance trade, investment and growth are fundamental for further economic integration.

The fact that the ENP remains on Political Agenda as a real dispute denotes its feature of a "composite policy" that still needs completion. In this sense, discussions among EU member states with regard to ENP implementation and content make us rethink the key-elements and finality of the ENP and the successful implementation of the ENPI. Hence, the ENP analysis must be based not only through the perspective of NCs commitments and NCs reports but also it must start from the EU member states position. This is because each of their opinions and positions regarding ENP is different.

The importance of the analysis of the ENP implementation and finality in Republic of Moldova is rooted from Moldovan peculiarity with the former socialist planning of economy. Likewise, the fact that Moldova experienced the new nation-building and the multitude of transition challenges makes it peculiar in EU "procedural entrapment".

In order to examine the innovative features of the ENP, it is important firstly to reveal the objectives, the rationale for, recipients, funds and results of the ENP implementation. Focusing on the evolution of the policy, it has to be given a mark to main points of reference for the ENP which are constituted by its policies: foreign and security policy, development and enlargement policy and liberalization of foreign trade.

Being preoccupied by: "Why Moldova is interested to be engaged in the European Neighborhood Policy?" and "What economic effects have the ENP upon Republic of Moldova?" it is undoubtedly expected to have enough arguments to reflect the real outcomes under Foreign Policy and limitations regarding the EU's and Moldovan commitment and interests.

## **1. Current challenges of the ENP**

Being an ambitious project, launched in March 2003 by Commission President Romano Prodi, the ENP is the newest foreign policy tool of the EU that tends to follow clear and uniform policies with its neighbors. Mainly the novelty of the policy comes from the aim to combine the traditional EU approaches of stabilization towards neighborhood. However, the purpose to provide stability,

prosperity and security in a democratic way is questionable. The reality and experience of the ENP mark out some internal tensions, weak incentives and issues of strict conditionality. Thus, the ENP still remains to be object of large criticisms and reservations.

The ENP analysis denotes that a weakness of strategy is not only the result of weak incentives and weak settlement of the policy, but indeed the EU was at the edge of critical situation. Thereby, the EU might decide: to follow through the ENP in exporting soft conflict resolution to its neighbors or to give up to the ENP and import instability and insecurity from its neighbors.

Likewise, the analysis of the ENP implementation elucidates clearly that many aspects and offers of the ENP are perceived differently by EU member states as well by NCs. In this situation we have two explanations. On the one hand, we agree that ENP is a young policy, face challenges during the cooperation with countries with a delayed transition to market economy and the ENP needs time to correct its mistakes as well as to improve. Meantime, NCs also need time to accommodate to new Foreign Policy environment, to new structural reforms, finally, to new challenges. Undoubtedly, the success depends directly on the commitment of both parts. Besides, we have already observed that for ENP only a number of member EU states have interests, considering the political relevance very different. Germany and Poland are must oriented to eastern neighbors, while southern member states look for most advantages in the Mediterranean area.

The issue of “Which is going to be the final point of the ENP?” raises many debates. In fact, the final moment can be expressed when the EU will individually establish with neighbor countries its common interests and level of ambitions, keeping the security, economic and political interconnection as basic rule of cooperation.

Continuing with same idea, we remark that still remains underdeveloped the ratio between values and interests. A concrete example serves the parallel between Russia and EU in the Caucasian area, taking the energy security issue. Thus, a deep review of interests and substantive offers will clarify the exactly needed incentives and conditionality.

So far, eastern neighbors showed their interest more in membership than in EEA deeper integration and this fact aggravates a lot EU position and capacity of taking prompt-right decisions. This also creates tension within EU, especially between Barcelona Process targeted to Mediterranean Area and the ENP targeted to the Eastern Area. In other words, it creates tensions between France, Italy, Spain and Germany with Poland. In any case, we have clarified that prospect membership of NCs will depend on the quality of reforms, modernization, level of Russian intervention in NCs internal and external relations, the issue of NATO enlargement and level of implementation of consolidation, conditionality and communication (the three “Cs” (Lippert, Barbara, 2008)).

## **2. Scope of ENP implementation in Moldova: impact and some peculiarities**

Analyzing the list of the above areas, with regard to the cooperation between the EU – Moldova, we might say that a good and effective co-operation with the EU for Moldova would result in the stabilization and development on several levels. For this purpose the Moldova-EU Action Plan was developed and signed. Besides, according to the analysis, we detach some benefits as well limitations (the last must be clearly noticed, shown and analyzed by Moldovan and EU authorities for the future improvement).

Thus, positive is that firstly such act finally occurred, including Moldova on the EU agenda. In addition, the fact that the AP is structured according to three criteria of Copenhagen, contributes to focusing on cooperation on important areas both for Republic of Moldova and for the EU.

On the other hand, experiences during the AP implementation demonstrate that the AP wasn't too practical. For these purpose, EU continues with the next instrument – ENPI that shall improve the cooperation and generate more positive outcomes, although the ENPI must work under new institutional architecture – the Lisbon Treaty.

The fact that the AP had no clear benchmarks to tell whether an action or other has really been made, and the evaluation of the implementation was done only twice in three years, is undoubtedly a limitation. During some years until 2009, there was no clarity regarding the further development of relations between the EU and Moldova. This aspect had introduced more uncertainty on domestic policies and caused delays into expected and needed systemic transformations.

For Moldova, among the settled priorities in the ENP, perhaps, most important is cooperation in supporting a viable solution for solving the Transnistrian conflict. This is one of the areas where the EU itself has assumed certain obligations. It is true that it is expected that EU will work with Moldova to settle the conflict in the only existing format, but we know that the EU has nominated a special representative for Moldova and participated in the 5 +2 negotiations.

A real progress has been made in terms of the Moldovan-Ukrainian border control, including on the Transnistrian sector. This progress is evident by monitoring mission of Moldovan-Ukrainian border, although questionable remains whether this mission contributes to effective border control, or whether the mission's work brings international recognition of the separatist regime.

Economic and social stabilization is particularly important for Moldova. In this sense, for Moldova it is formulated the purpose to come closer to EU standards and practices in employment and social policies, congruous standards, consumer protection, sanitary and other practices. Likewise, it is true that unilateral implementation of these goals will move Moldova towards the EU, but, in this case which are the role of the ENP instruments?

A particular influence on stabilizing the situation in the country has the migration flows from the country. Thus, the question that preoccupies scientists is: What actually proposes the EU in this area? Hence, EU requires to manage migration

flows (which is difficult without the participation of EU, because Moldovan citizens leave the country and enter legally in the EU), and in return it offers generous discussions about Schengen's procedures.

At some extent we were wondering: What would happen if Moldova did not implement the AP? Undoubtedly, that Moldovan image would be wholly poor, and instead of making progress in all areas, it could record backwards. Moreover, an unimplemented AP would generate two scenarios: first, if the EU affirm that Moldova has not made its homework, then it means that EU will recognize the fact that it was a unilateral plan; second, if the EU recognizes that Moldova and the EU have not been able to implement the AP, then the EU would have to recognize that the ENP was a failed policy.

Analysis of the conditionality model makes us express with reservations when aligning the Moldovan case to one of the three models: external incentives, social learning and lesson drawing model (Schimmelfennig & Sedelmeier, 2002). Hence, high adoption cost through the external incentives model comes into contradiction with economic reality of Moldova. In addition, among issues related to high costs of adoption we also find those related to domestic forces and elites that firstly defend their own business interests and then those of citizens. The last assertion could sound quite subjective or radical, but we rely exceptionally on our previous analysis done on institutional deficiencies of Moldova and facts.

In order to reinforce the elements of conditionality, the socialization is seen as the supplementary tool of improvement of the ENP in neighbor countries. In this context, in terms of socialization process, we also observe that both Moldova and EU meet difficulties (especially because of the asymmetry of powers). And, however, the ENP openness to particular – individual dialogue and cooperation defines it as the “Stabilization, Transition and Partnership Process” (Kahraman 2005).

However, the implementation of the AP brought Republic of Moldova closer to European standards. But the problem is that it is not enough to consider Moldova a European country, but it is needed to be included in a system of guarantees for Moldovan security and stabilization. This explains why Republic of Moldova must be at least associate member to the EU.

Gaining experience within ENP, for Moldova it is time to reconsider the need to remain or to leave the CIS, placing Moldova in new light. Perhaps, it is time to study more closely the Moldovan relations with NATO, especially in terms of the development of the Individual Partnership Action Plan: Moldova - NATO. For Republic of Moldova benefits would be large because: under the umbrella of NATO countries are attractive for foreign investors and investments arriving in Moldova would be an impetus for economic growth and development; as a matter of fact it would also contribute to the more successful implementation of the ENP.

### **3. ENP in the new EU institutional framework after the Lisbon Treaty**

Generally and particularly in conditions of the new institutional architecture after the Lisbon Treaty, despite a difficult context, the EU has been able to improve to some extent its policies. Now, the progress depends on the partners' policy

understanding, commitment and willing to change and go further even if EU policy design and normative basis is not always followed by the effective implementation.

Notably, after Lisbon Treaty the importance of democratic governance is more emphasized and democratic values continue to be considered fundamental and are a point of reference for the EU and eastward neighbor's citizens. Meantime, the preservation of the "four freedoms" flourishes the solidarity not only among member states but also among the immediate neighbors and the EU. The last fact, increases the fruitful cross-border cooperation, increases the security and develops the extended capacities to act on freedom by respecting legislative basis and boosts the ability to promptly respond to threats to the security of Europe.

On the other hand, the insertion of the new provision under the Lisbon Treaty significantly changes the ENP context and conditionality. Meantime, the key-expressions like "special relationships", "the area of prosperity" and "good neighborly" rather cover neighbor countries that share with the EU the land or sea border – the immediate neighborhood, leaving the rest of countries engaged into the ENP as an apart group for cooperation. However, the mention of "special relationship" improves the EU partnership with neighbor countries, as well as the "specific agreements" which co-exist under new specific legal basis within new institutional framework of Lisbon Treaty, improving the ENP legal basis as well as the legal basis of agreements between EU and NCs. The only limitation that still remain under the criticism is the mention of "special procedures" that should be in coordination with NC's governance model.

The determination of the ENP as process or a policy is directly related to its key-element: differentiation. Besides the distinction among NCs engaged into ENP, the differentiation element refers to the difference between "special and deep relationship" with Mediterranean countries and the eastward. If we add to this agreements common security and prosperity objectives as well as same conditionality, thus the ENP must be a policy. In reality, there is a big difference among priorities in the Mediterranean partnership in contrast to the Eastern partnership. In this sense, after Lisbon Treaty, the ENP is definitely perceived as process because conditions differ in line to security issues and cross-border cooperation. In addition, this is a transformative process, modeling NCs' economies into economies that might be competitive on the EU market with EU members and that will ensure security on EU borders.

## **Conclusion**

To end these conclusive thoughts and in order to emphasize once again the importance of the ENP in a country-specific framing, we would like to conclude with some ENP aspects (extracted during our documentation, thorough analysis and interpretation of those findings). Thereby, despite all criticism about the ENP vagueness, lack of clear incentives and incoherence, however, we assess the ENP (for Moldova) as:

- highly innovative policy;
- key-geopolitical project;

- an alternative policy;
- a power of attraction and an attraction tool for stability, security and prosperity;
- most ambitious EU foreign policy;
- encompassing policy;
- an opportunity window (with opportunity cost) for NCs for Europeanization and democratization;
- an effective, coherent and consistent policy;
- an (euro)policy for (euro)competences and (euro)competitiveness.

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