

# SETBACKS AND ACHIEVEMENTS IN MANAGING THE EASTERN NEIGHBOURHOOD

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**Abstract:** *Since its latest enlargements, the European Union has constantly developed various actions and initiatives in order to secure its borders and consequently to be surrounded by countries with dynamic economies and secure and stable political situations. So far, the presence of the union in its Eastern neighbourhood did not have the expected outcome. Where has the European Neighbourhood Policy failed? How is the European Union perceived by its neighbours: social partner, protector, sponsor or regional hegemonic? Is the Eastern Partnership sufficient to revive the Eastern dimension of the ENP? This paper will focus on answering these questions by connecting the theoretical framework of the neighbourhood policy with the existing empirical evidence through an interdisciplinary approach.*

**Keywords:** European Union; Eastern neighbourhood; conditionality; power; democracy.

**JEL Classification:** N44; N74; R58; F59.

## INTRODUCTION

The paper, entitled “Setbacks and achievements in managing the eastern neighbourhood”, aims to analyse various challenges and opportunities that the European Union meets in managing its Eastern dimension of the Neighbourhood Policy. The analysis of these issues is based on a multidimensional approach, taking into consideration both, political and economic aspects. Therefore, this paper is not intended to simply present the evolution of the European Neighbourhood Policy, but seeks to analyse the main orientations and current challenges, focusing on the potential impact of the ENP upon its Eastern neighbours.

The first section of this paper will focus on the inconsistencies and setbacks of the European Neighbourhood policy within the Eastern side of the continent. Despite the EU’s constant efforts and ambitious objectives, the political, economic and cultural backgrounds of these countries have raised many challenges and have proven that the ENP might have reached its limits.

The second section of the paper, as a continuation of the first section, it will address several issues concerning the Eastern Partnership which represents the future of the ENP in relations with the neighbouring countries in Eastern Europe. Overall, the Eastern Partnership responds to the desire of the Eastern neighbours to develop closer ties to the EU. At the same time, it stands within the vital interest of the union to contribute to the stability, better governance and economic

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development at its Eastern borders. Thus, the Eastern Partnership initiative is of great importance because it represents a new stage in our relations with the eastern neighbours as well as it helps strengthening the Union's external policy.

The scientific approach of this paper holds as a marching point the assumption that the future and security of Europe depend on a more efficient management of the Union's relations with the eastern part of the continent.

## **1. THE EUROPEAN NEIGHBOURHOOD POLICY – AN ALTERNATIVE TO EU MEMBERSHIP**

### **1.1 The ENP – general background**

The ENP is regarded as a young and dynamic policy which is aimed to promote and consolidate stability on both economic and political levels, as well as modernization and democratization of EU's neighbours and it is addressed to the countries on the southern shores of the Mediterranean (Barcelona process countries) and to Ukraine, Belarus, Moldova and the Caucasus republics. The Eastern neighbourhood represents a direct consequence of the latest enlargement waves. Thus, after 2007, six former socialist republics, namely: Moldova, Ukraine, Belarus, Georgia, Armenia and Azerbaijan are now steps away from the European bloc. Their attitude vis-a-vis the ENP, namely the European Union differs according to ties and relationships they have with Russia. Thus, for Moldova, Georgia and Ukraine the inclusion in the European agenda therefore their inclusion in the ENP means a lot. Through a subjective approach, the European Union is perceived as a "corner of the abundance of material wealth." (Varwick and Olaf, 2007, p. 131) Armenia and Azerbaijan gives great importance to the economic factor of the ENP, being less interested in integration into European structures. Belarus remains a Russian satellite, still interested in attracting European investors in order to reduce the dependence that this country displays towards Russia.

Overall, within the expanded borders of the EU there are countries which are considered to be strategic partners, although without any foreseeable prospects of integration within European structures. In concept, the ENP was designed so as to avoid the emergence of dividing lines between the enlarged EU and its neighbours, giving them the opportunity to participate in the activities of the EU through closer political and economic cooperation.

Among the most important advantages a country could have by participating in the ENP there are: improving cross-border cooperation, access to financial assistance offered through the European Neighbourhood and Partnership Instrument (ENPI) which, from the 1<sup>st</sup> of January 2007, replaces MEDA and TACIS, as well as the union's support for the promotion of existing regional and sub-regional cooperation initiatives and processes (Bordeianu, 2007, p. 29).

On the other hand, in order to effectively manage the Eastern dimension of the ENP, the European Union has to overcome several challenges which rise in all aspects and levels: political, economic, cultural and geostrategic, especially as Russia is not a passive actor in these relationships. Consequently, it is not difficult to grasp why the European Neighbourhood Policy, designed to manage these relationships has not known major breakthroughs but rather often has failed to achieve its initial objectives which proved to be too ambitious.

In theory, the greater involvement of the EU in its neighbourhood area can be classified as a positive and welcomed initiative because of the beneficial effects it has on the Union, as well as on its partners. Nevertheless, the reality surrounding the actual actions of the European Union, especially through the European Neighbourhood Policy, indicates numerous inconsistencies.

The following section of this paper will focus on these inconsistencies and will further analyse their causes and effects, outlining the necessity to revive the Eastern dimension of the ENP.

## **1.2 Inconsistencies of the ENP – a critical approach**

The relationships created between the Union and its neighbours do not fit usual patterns of traditional external policy; therefore, the ambiguity and efficiency of this policy are accompanied by many disjunctions and cleavages. Although theoretically it can be considered a unified policy with a comprehensive framework, the implementation of the European Neighbourhood Policy highlights several weaknesses.

The European Union has not introduced a strong regional component in the ENP, being considered a policy based on strengthening bilateral ties between the EU and each neighbour, a policy of neighbours, rather than a neighbourhood policy. The umbrella of the European Neighbourhood Policy includes a large geographical area in the same policy; more precisely, two different sides: South and East. Consequently the ENP was often accused of lack of consistency by including eastern and southern neighbours of the Union in the same framework, countries which have nothing more in common other than being neighbours of the Union and which are located in totally different geo-strategic regions. Due to these major differences between them, these

Southern/Eastern neighbours have particularities and problems which do not resemble, that require different resolutions as well as the use of different instruments in order to overcome them (Muresan, 2005, pp. 22-23).

The wide diversity of countries included in the neighbourhood policy lead to inconsistent approaches and reduced the ability of the EU to act in accordance with the numerous regional problems. Although the policy has connected these disparate countries and different regions within a single policy, (Smith, 2005, p. 771) the ENP has failed to create a general framework for the provision of regular meetings or contacts between neighbours (Smith, 2005, p. 772).

The divergent geopolitical interests of the European great powers represent another negative aspect of the Neighbourhood Policy. For instance, France, Italy and Spain actively manifested preferences in shaping relations with the South Mediterranean neighbours (Varwick and Olaf, 2007, pp. 129-132), while Poland and Sweden are mainly involved in the Eastern Partnership. This lack of consensus between the European member states' interests in the area reflects negatively upon the neighbourhood, leading again to a division of the ENP framework.

Besides the absence of a regional component of the ENP as well as the existence of different interests of the member states in the neighbourhood area, the new policy is also criticized for the lack of attractiveness, limited resources or its conditionality which brings into perspective a hegemonic behaviour on the behalf of the European Union.

The process of adaptation of the neighbours' legislation to the EU's standards and requirements as a first means to participate in the Internal Market has not proved to be very successful so far, as it is accompanied by other concerns. The main problem is the difficulty which the Union has in opening its market completely in sensitive area such as agriculture, areas in which the neighbouring countries could compete better.

In theory, the ENP aims to create stability by exporting the EU model to its neighbours (Casier, 2006, p. 37). Therefore, the EU is accused of doing nothing else but exporting its institutional and cultural model to the countries within the neighbourhood area (Chilosi, 2006, p. 29). Although the neighbours' EU ascension is not in question, the enlargement and the neighbourhood policies are very similar. ENP is based on "policy tools and methodologies that have been borrowed from the enlargement portfolio in an almost mechanical manner" (Varwick, 2007, pp. 129-132). In other words, the criticism comes down to the fact that the ENP is based on the enlargement tools and conditionality, without providing its benefits, namely it does not offer to its neighbours ascension prospects.

Thus, the neighbourhood policy documents, such as action plans and progress reports are similar to the ascension ones, both in structure and in language (Kelley, 2006, 19). Moreover, the whole process is driven and coordinated by the same officials from the European Commission, to a considerable extent. Many critics have stressed that the European Neighbourhood Policy does not seem to be anything but "new wine in old wineskins" (Kelley, 2006, p. 29). The ENP is overall criticized for the weak incentives it offered, especially the lack of prospects, (Casier, 2007, p. 37) as the ENP does not offer any credibility nor guarantee of long-term sustainable results (Muresan, 2005, p. 25).

Contrary to its ambitious objectives, the European Neighbourhood Policy has extremely limited resources. Due to this inconsistency, the credibility, efficiency and success of this policy are questionable as they all directly depend on the resources destined to its proper management. The financial perspective for the 2007-2013 ENP budget highlights very modest sums, only € 11.967 billion (down from € 14.929 billion initially proposed) (Bordeianu, 2007, p. 45).

The European Neighbourhood Policy highlights numerous omissions. What is particularly striking about the ENP is the asymmetrical way in which the neighbours are rewarded conditionally according to their "good behaviour", asymmetry which highlights the hegemonic character of the EU, a very mild form of imperialism (Ganze, 2005, p. 29). Therefore, the EU conditionality is not always considered to be applied consistently, which damages EU's credibility. For example, when it comes to democracy and the rule of law, Belarus is often admonished for misbehaviour, while the EU is much more relaxed with Azerbaijan, a country rich in energy resources but almost as autocratic (Boonstra and Shapovalova, 2010, p. 6).

### **1.3 Setbacks and achievements in the Eastern Neighbourhood**

Despite all the inconsistencies mentioned above, since 2004, the European Union has become increasingly present in its Eastern neighbourhood, namely: Ukraine, Moldova, Georgia, Belarus, Armenia and Azerbaijan. The trade between EU and its Eastern neighbours has considerably increased and the EU is moving towards free trade agreements with most of its eastern neighbours.

EU has become progressively more involved in managing conflicts in its eastern neighbourhood. The Union is a mediator in negotiations between Moldova and its breakaway Transnistria region, starting the EUBAM border assistance operations in Ukraine and Moldova. EU also has developed a monitoring mission in Georgia and acts as a mediator in the talks in Geneva between Russia and Georgia (including Abkhazia and South Ossetia). Through these missions, in its

Eastern neighbourhood, the Union provides the highest number of personnel in conflict management in its missions abroad except Balkans (Popescu and Wilson, 2010, p.1).

Since the launch of the ENP, the EU and its Member States have intensified and improved diplomatic relations with these countries. The number of Delegations in the region increased from two to six, so now the Union is represented in each of the six Eastern Partnership countries.

As it has been previously mentioned, the union's relations with its eastern partner countries were based on conditionality, namely the offer of rewards, without the use of sanctions (except for Belarus). On one hand, this approach proved to be effective (Albi, 2009, p. 1213). Progress was made, despite the opposition or scepticism of Member States, which opposed either to allocate funds for the eastern neighbours or to strain their relations with the Russian Federation. Although the EU has had some successful projects and initiatives in the neighbourhood, it was not enough against the Eastern countries' negative trends.

Therefore, in recent years, almost all the EU's eastern neighbours followed opposite directions from union expectations. Azerbaijan turned to a life presidency, in 2008 Armenia has chosen a Putin-Medvedev sequence type which determined demonstrations where 10 people died, Georgia has moved to centralized power and in august 2008 was at war with Russia (Popescu and Wilson, 2010, p. 3).

Between 2005 and 2010 the leaders of the Orange Revolution in Ukraine gradually lost ground to the opposition, namely to Viktor Yanukovich who was elected as president in 2010 and began an intense process of centralization of power. Finally, Belarus retains a Russian satellite position. The only exception is Moldova which met some progress, although its political system is still unstable and the situation in Transnistria is weighing on the country's progress (Popescu and Wilson, 2010, p. 3). But despite the modest progress met the Republic of Moldova, the country is too small to affect the region.

Overall, the EU assistance and support for its Eastern neighbourhood are relatively of low impact compared to the needs and challenges of the region. According to Freedom House statistics, the state of democracy in these countries deteriorated in the period between 2006 and 2009 (Boonsta and Shapovalova, 2010, p. 21). Paradoxically, the only country that showed some progress is Belarus who unquestionably remains the least democratic country among the six former Soviet states.

Behind the EU's failure to turn power into presence in its Eastern neighbourhood there are three structural trends. The first trend is a regional one: the increasingly authoritarian and semi-authoritarian regimes within most of the partner countries. The second trend is a worldwide one and

consists of the emergence of a multipolar world which allows countries in the Eastern neighbourhood to play "neo-Titoist" roles by balancing between external actors. The third trend is an internal one and relates primarily to institutional reforms of the union and then to the ability to manage the economic crisis (Popescu and Wilson, 2010, pp. 5-7).

In some respects, the eastern neighbourhood resembles more and more the EU's Southern neighbourhood before the recent uprisings (Wojna, 2011, p. 13). Thus, Eastern European neighbouring countries face consolidated authoritarian regimes, rather than dynamic states in search of European solutions.

According to most indexes concerning the expected reforms - be it about democracy, freedom, corruption or costs of doing business – the Eastern neighbours are still much better situated than the southern ones. So far, only Moldova has shown a tendency to remove political centralization. Regarding Georgia, this is undoubtedly a kind of leader in institutional reforms, but its politics are still very polarized and centralized around the president (Popescu and Wilson, 2010, 6).

The second trend that has significantly undermined the effectiveness of the EU foreign policy, namely the implementation of the ENP, consists of the multipolar environment where the eastern neighbours function (Leonard, 2011, p. 1).

Since the 1990s the EU had a quasi-monopoly when it comes to influencing Central Europe and the Balkans, but in the Eastern neighbourhood area, the union has to compete with Russia, Turkey, Iran and even China (Popescu and Wilson, 2010, p. 6). This allows the partner countries in the region to be able to perform a "neo-Titoist" game in order to balance the gain of resources and to strengthen local elites, thus providing an excuse for the lack of reforms.

The third reason why the ENP showed rather low performance so far in the East consists in the lack of commitment from sides, the EU and the Eastern Neighbourhood countries. A senior EU official believes that "our partners are less interested in ENP than ourselves, and we are not really that interested" (Popescu and Wilson, 2010, pp. 5-7). Thus, any strategy to improve the performance of the EU Eastern neighbourhood should try to strengthen the role of EU as a soft power as well as a hard one.

## 2.THE EASTERN PARTNERSHIP (EaP) – FUTURE OF ENP

### 2.1 EaP – the necessity of a new initiative

The several existing gaps within the European Neighbourhood Policy make it necessary to establish and develop an initiative to strengthen the Eastern dimension of the ENP. Thus, in May of 2009, in Prague, a new initiative aroused in order to strengthen the ENP's eastern dimension, known as the Eastern Partnership. This initiative is an extremely important step in differentiating our neighbours in Southern and Eastern countries.

This ambitious Partnership foresees a substantial upgrade of the level of political engagement, including: the prospect of transition to a new generation of Association Agreements, extensive integration into the EU economy, easier travel for this region's citizens to the EU provided that they comply with certain security requirements, to establish improved ways for energy security that are beneficial for all the parties involved and increased financial assistance.

There are several novelties that the Eastern Partnership brings up, concerns that the ENP missed out, novelties which present a high degree of importance, such as: regional cooperation, Association Agreement or the involvement of Civil Society (Ivan, 2011, pp. 226-228).

The **bilateral basis** still represents the centre pillar of the Eastern Partnership. The bilateral relations between the EU and the Eastern neighbouring countries will be based on association agreements, on Deep and Comprehensive Free Trade Agreements (DCFTA) and agreements on visa liberalization (IS1, 2013).

Besides the bilateral basis which is very important, the Eastern Partnership initiates a **multilateral dimension**. The multilateral cooperation is being based on four thematic platforms of policy, namely: 1. Democracy, good governance and stability; 2. Economic integration and alignment with EU policies; 3. Energy Security, 4. Relationships between people. Some topics included in the platform (energy security, environment, human relationships, etc.) have a more high- lightened multilateral approach than others (Good governance) (IS1, 2013). Therefore, the EP novelty is the **regional component** that complements the bilateral approach that the EU promoted in its relations with its neighbours. Thus, the bilateral dimension shall be complemented by inter-state relations, as well as the involvement of the EU and its Member States in regional policies, as well as in mobilization of the international community efforts (Ivan, 2011, pp. 226-227).

Another very important step that the Eastern Partnership took consists in promoting the involvement of civil society. Previously, the relations with the governments of the former Soviet

republics were privileged at the expense of civil society cooperation. The Eastern Partnership aims to redress the balance. NGOs are key actors in promoting democratic reforms and a vibrant civil society is an obstacle to authoritarianism.

Thus, the Eastern Partnership offers a more efficient support for the **civil society** development by establishing a Civil Societies Forum in order to help civil society organizations to develop their "advocacy" and to enhance their ability to monitor the reforms. In addition, it will focus on developing "people-to-people" actions such as increasing funds destined for the development of students' exchanges together with other legitimate measures which facilitate the mobility of persons within the EU, while guarding the security of its citizens (Ivan, 2011, pp. 227-228).

Last but not least, through the Eastern Partnership initiative, the Partnership Agreements which were the basis of bilateral relation between EU and its neighbours within the ENP have been replaced with **Association Agreements** which are more efficient whereas much of their content is legally binding and the monitoring and evaluation systems are more accurate and improved. These changes will eventually lead to a more efficient implementation (Boonstra and Shapovalova, 2010, p. 3).

Unfortunately, the modest funds allocated for the implementation of the Eastern Partnership represent still a major setback for the achievement of the proposed objectives. Funding remains one of the major weaknesses of the EP. It is clear that funding is inadequate for what the program wants to achieve. The EU should also clarify how it plans to coordinate the partner countries in other initiatives such as the Black Sea Synergy, with other international and regional organizations and agencies, as well as with Member States' bilateral programs.

## 2.2 Perspectives of the Eastern Partnership

Overall, the launch of the Eastern Partnership (EP) has not brought major improvements in the eastern neighbourhood region. The economies in this area were severely affected by the global economic crisis, some of them (Ukraine, Armenia) experienced severe contractions of their gross domestic product (GDP) in 2009, up to two digits (IS1, 2010). Also, as regards to the democratic environment there have not been any great successes, Moldova being probably the only exception. No major improvements were made when it comes to the frozen conflicts in the region. Overall, the EU's current policies have not brought great results in the region and the EU is still far from having the role and position it desires among its neighbours (IS2, 2010).

Regarding the economic integration of the eastern neighbours within the EU's Internal Market, it is clear that the free trade area is very remote for some members in particular. Two feasibility studies commissioned by the European Commission to Armenia and Georgia have shown that the area could bring important benefits to both countries, but that "none of the two countries can negotiate trade liberalization of such scale and even less to be able to implement and sustain the required commitments" (Boonstra and Shapovalova, 2010, p. 13). Azerbaijan and Belarus are far behind, as none of them is a member of the WTO. Actually, in 2010, Belarus joined a customs union with Russia and Kazakhstan and made it almost impossible to have free trade with the EU (IS1, 2010).

The EU Member States have diverging and conflicting interests in the neighbourhood and regarding the enlargement policies. In the same way, the six eastern neighbouring countries have different views on what their level of cooperation with the EU should be (Varwick, 2007, pp. 129-132).

Although the EU is quite popular among Armenians, the **Armenian** political elite is divided on the issue of European integration. The Eastern Partnership is positively perceived because the country has moderate ambitions on developing its relations with the union. Armenia's location between Azerbaijan and Turkey makes it a reliable ally for Russia in the region, but also a very isolated country. The Eastern Partnership is therefore seen as a way out of regional isolation, as well as a way of obtaining new funds to modernize the country. In this respect, Armenia received from EU macro-financial assistance totalling 100 million Euros (65 million as a loan and 35 as a subsidy) (Boostr and Shapovalova, 2010, p. 16).

The Armenian government declared its interest in visa liberalization as well as in the creation of a free trade zone with the EU. Armenia also hopes that the EU could play an important role in stabilizing the troubled Caucasus region (Ivan, 2011, p. 229). The European Commission together with Armenia started already the negotiations for an Association Agreement which will replace the present Partnership and Cooperation Agreement. The EU is particularly interested in improving human rights and the quality of elections in this country.

**Azerbaijan** is one of the most authoritarian countries within the Eastern Partnership and thus is not interested in EU integration, while intends to strengthen its relations with the EU. Azerbaijan tends to see the Eastern Partnership as a remodelling of existing programs and not as a completely new initiative (Ivan, 2011, p. 229).

Azerbaijan is particularly interested in security issues because of an on-going conflict with Armenia over Nagorno-Karabakh, as well as economic issues (especially related to energy) and visa

liberalization (Boonstra and Shapovalova, 2010, p. 18). However, the EU is less involved in solving this conflict than those in Georgia and Moldova.

By being rich in energy resources, Azerbaijan is less dependent on the EU conditionality's and less interested in EU economic assistance. Overall, Azerbaijan does not seem willing to implement democratic reforms. The Eastern Partnership was generally well met by the Azerbaijani civil society as a way of Europeanization of the regime. Despite this deficiency, Azerbaijan remains a key energy partner for the EU; both parties are currently negotiating an Association Agreement to succeed the PCA (IS4, 2013).

Starting at the Pink Revolution in 2003, the regime of President Saakashvili urged the country's integration into European and Euro-Atlantic structures. However, **Georgia's** access to NATO was seriously affected by the 2008 war with Russia and currently it seems to be delayed. As a result of the war, the country has lost control of Abkhazia and South Ossetia and consequently seeks support from the EU to regain the territorial integrity of the state (Ivan, 2011, p. 230).

Georgia is interested in EU involvement in conflict resolution in the Caucasus, as well as visa liberalization and the establishment of a free trade zone with the EU. The country also hopes to receive financial assistance from the EU, especially to rebuild the areas affected by the 2008 war. Since Georgia is an important energy transit country, the government is also interested in energy security and developing new energy transit routes (EU Nabucco pipeline project) (Boonstra and Shapovalova, 2010, p. 17).

However, the war with Russia, the impulsive style of the president Saakashvili, the suppression of opposition mass-media and the disproportionate use of force by the police during street protests in 2007 have seriously damaged Georgia's reputation and reduced the support it used to get from few European capitals. Like the other two Caucasian countries, Georgia is currently negotiating an Association Agreement with the EU.

Just like Armenia, **Belarus** perceives the Eastern Partnership as a way out of isolation, especially since the relations with Russia have become increasingly steep in recent years and have been negatively affected by the Russian-Georgian war in 2008. For the EU, inviting Belarus in the Eastern Partnership as a full member caused a moral dilemma since President Lukashenko is known for human rights violations. However, because the regime had made several liberalization attempts and since the previous EU strategy of isolating Belarus has not brought significant results, the EU went ahead and accepted the regime in Minsk.

Belarus's invitation to participate in the Eastern Partnership was criticized by several opposition parties. The Belarusian civil society was more enthusiastic about the proposal and seems

to be quite active in PE Civil Society Forum (Ivan, 2011, p. 230). The access of Belarus in the Eastern Partnership raised high expectations among EU Member States, but they were tempered shortly after when it became clear that regime in Minsk was interested only in economic benefits and the EU are expected to refrain from any efforts to get involved and take actions to democratise the country (Boonstra and Shapovalova, 2010, p. 19).

Some EU institutions such as the European Parliament have adopted an inflexible attitude of compliance towards the Belarusian government and this was reflected in the problems faced by Euronest. Belarus has no plans to become member of the EU and the country has the most authoritarian regime of the six states. The population is almost equally divided between those who prefer European option and those who want a closer integration with Russia.

**Ukraine** is by far the largest of the six countries, with a population larger than that of the other five together. Ukraine wants to join the EU structures and it remains a strategic goal even after the change of political power in Kiev, even if the new Ukrainian leaders have more nuanced views on foreign policy options.

In 2004, Ukraine was rather sceptical regarding the ENP because it treated European countries like it as those in North Africa. From this point of view, the Eastern Partnership is perceived as positive as it makes the difference between the European neighbours of the EU and other neighbouring countries (Ivan, 2011, p. 231). However, it is clear that the Ukrainian political elite was still dissatisfied that their country was put together with other countries like Azerbaijan, Belarus and Armenia, countries that do not have such close ties with the EU. Doubts about the added value of the new instrument for Ukraine were also expressed (Boonstra and Shapovalova, 2010, p. 19). There were disappointments related to the low level of funding of the Eastern Partnership.

Ukraine can be considered a regional leader in terms of its relationship with the European Union. It was the first country which started negotiations for an Association Agreement with the EU as well as the first country to have concluded a Deep and Comprehensive Free Trade Agreement, as a part of the future Association Agreement which is expected to be finalized in the near future., although strong economic groups in Ukraine oppose such an agreement with the EU (IS2, 2013).

Despite the previous challenges that the ex-communist Moldovan government raised, the new ruling coalition formed after the 2009 elections, the Alliance for European Integration adopted a more optimistic and opened approach towards the Eastern Partnership by fully cooperating with the EU. In January 2010, **Moldova** started negotiations with the EU Association Agreement and in April it received several European consultants on high level policy reforms that will hasten within

ministries (Ivan, 2011, p. 232). Moldova's EU negotiations developed more quickly than those of Ukrainian maybe due to the fact that the country is much smaller in size and it displays an increased availability to accept EU conditions. Overall, it is estimated for the negotiations to end by the summer of 2013 (IS3, 2013).

### **2.3 What went wrong in the Eastern Neighbourhood?**

Overall, through the Eastern Partnership, the EU should be ready to intervene and help these countries to cope with their economic and political crises.

The EU is interested in the security and prosperity within its immediate neighbourhood, but it is clear that some countries' security expectations are not met by the Eastern Partnership. The EU is partially involved in resolving conflicts in the area, but quite often merely reacts to events, without having a clear strategy or political determination.

The European Union's attitude, that of a soft power which is reflected in the union's reduced involvement in conflict (frozen) resolution of the area, led the EU to pay the bill for reconstruction in cases such as Georgia (IS5, 2010). It takes a reinforced external dimension of the EP and a secured conflict resolution strategy for the region, especially since NATO membership is out of the question (Boonstra and Shapovalova, 2010, p. 19).

Some of the countries in this region are highly vulnerable to economic pressures because they depend on the energy markets or resources of larger players (Bahgat, 2006, p. 356). The EU should develop clear steps forward in order to enhance energy security and reduce dependence on a single supplier. In this sense some of the thematic platforms and flagship initiatives related to these issues might prove to be very important.

EU has provided significant support to the civil society organizations from EaP countries. Even the current financial allocations are largely oriented towards governments. The EU should invest more in capacity building for civil society organizations (CSOs) in the EaP countries and also to properly involve CSOs in the development program (Boonstra and Shapovalova, 2010, p. 18).

Overall, the European Neighbourhood Policy states that the new neighbours are important for the Union and therefore are offered a new kind of relationship. Although the European Neighbourhood Policy was expected to be a very ambitious foreign policy which should have provided the neighbours with clear references for reform, it can be said that the main objectives have not been achieved.

The EU has an almost annual ritual to improve the European Neighbourhood Policy (ENP), through initiatives like "new Ostpolitik" ENP Plus, Black Sea Synergy and, more recently, the Eastern Partnership. They tend usually to make the ENP more attractive offering new benefits to its neighbours.

The ENP is designed on the basis of EU enlargement instruments (harmonization of legislation, action plan, annual reports, twinning, etc.) but without offering a membership perspective (Kelley, 2006, p. 22). However, a major problem is that the EU Eastern neighbouring countries are very different than the ascension candidates in Central Europe in the 1990s or the Balkans today.

The EU enlargement model in Central Europe was a rather simple process: countries should adopt the *acquis communautaire*, namely the entire EU legislation. This model leaves little room for maneuver or negotiation because the relationship was totally asymmetrical. Membership rules were negotiated, but dictated by the EU. The only thing Central Europe could negotiate was the deadline for the adoption of the *acquis* (Chilosi, 2006, p. 16). But, unlike "candidate neighbours" in Central and Eastern Balkans, the EU's eastern neighbours have two other alternatives to EU membership: to accept Russia's sphere of influence or to attempt to balance between East and West, keeping semi-democratic regimes (or semi-authoritarian) and not adhere to any regional power centres (Kelley, 2007, p. 27).

The new neighbours can more easily dodge EU conditionality and related reforms. Most of EaP countries have deeply corrupt authoritarian elites, whose primary purpose is to stay in power. The imperative to remain in power is more important than the imperative of Europeanization. However, such a strategy can easily fail because countries like Moldova or Ukraine do not have the size and resources to play for a long time "a sovereignty game". Without accelerated reforms and closer ties with the EU, falling under the Russian influence is more likely, rather than perpetual balancing between Russia and the EU (Popescu and Wilson, 2010, pp. 4-7).

The external pressures on the sovereignty of EU's eastern neighbours are very high, because neither Russia nor the EU treats them as truly sovereign states. Russia believes that they do not possess the ability to be sovereign and the EU exports its own standards in all partner countries, regardless that neighbours are not candidates for accession (Boonstra and Shapovalova, 2010, p. 17). However, the EU's neighbours often use their relations with the EU neither for modernization nor choice but as a tool to enhance their freedom of action in relation to Russia. All EU's eastern neighbours - from Belarus to Azerbaijan – perceive themselves as a "bridge" between East and West and they develop partial multi-vector policies (except for Georgia) (Albi, 2009, p. 1132).

Most Eastern European governments want a selective European Neighbourhood Policy. EU's neighbours are often not interested to import the entire *acquis communautaire*. Azerbaijan is interested in energy cooperation, Georgia wants more EU support against Russia, but none expressed enthusiasm regarding Deep Free Trade regime from the EU, which involves harmonizing national regulatory framework with the EU (Ivan, 2011, pp. 228-234).

Eastern neighbours are different in several ways. Broadly, Moldova and Ukraine shape their domestic and foreign policies in compliance to EU's requirements. Both elites and public opinion are fundamentally pro-European and, at least declaratively, support the union's conditionality. This makes them partially similar to the candidate countries.

Georgia's foreign policy is based on a continuous conflict with Moscow, which it uses to get attention and support from the international community. Georgian government wants from the EU what it considers to be good for the country, not what the union has to offer. Georgia wants some kind of "selective convergence" with the EU, not to adopt its *acquis*.

All three countries have a common core set of characteristics. Moldova, Georgia and Ukraine are fundamentally pro-European, but none of them has elites fully committed to Europeanization as a process of internal reforms;

At the other end of the spectrum are Armenia and Belarus, for which Russia is the foundation of security and economic welfare, and are likely to be strongly, perhaps irreversibly integrated the Kremlin's area of influence. Therefore, for these countries, relations with the EU are of less importance and they are subordinated to their relations with Russia.

At the extreme end of the spectrum is Azerbaijan, the only country in Eastern Europe which calls for "sovereignty" in external relations and does not accept lessons of values or any interference in their internal affairs from external actors. But Azerbaijan's ability to maintain its position depends on its oil reserves; thus, it is vulnerable to oil price fluctuations.

EU entered a new game in its Eastern neighbourhood by launching the Eastern Partnership. It is clear that the Eastern Partnership initiative was generally welcomed in the region, since it made a long-awaited differentiation between eastern and southern dimensions of the ENP. However, the current form of the European Neighbourhood Policy can relatively function in Moldova and Ukraine, but not in the case of countries that do not have any interests in joining the EU (Boonstra and Shapovalova, 2010, p. 28).

However, countries like Moldova and Ukraine should understand that their true differentiation from Morocco, Jordan, Belarus and Azerbaijan do not stand in higher ambitions in joining the EU, but in the quality of reforms. In the eight years of the ENP, the real issues in EU relations with

Ukraine and Moldova are not coming because of ENP format (i.e. including North Africa). There was no EU initiative in Moldova or Ukraine to be blocked because Azerbaijan and Morocco or part of the ENP. Most of the EU initiatives in Moldova and Ukraine were blocked for completely different reasons. First, because neither Moldova nor Ukraine have had good performances in terms of domestic policies – authoritarianism in Moldova and instability in Ukraine and then, because some member states are afraid of further enlargement of the Union or are more interested in their southern neighbours or simply do not want to strain relations with Russia.

## CONCLUSIONS

Since the launch of the European Neighbourhood Policy in 2003, the European Union has become increasingly present and somehow involved in its problems at the Eastern neighbourhood. It became therefore the most important trading partner for some of the countries in the region, carrying discussions and negotiations on free trade operations, conflict management, facilitation of visa regime, and even discussion of erasure.

However, through the ENP, the EU has failed to turn its "presence" into "power". Regarding the areas of security and democracy, the EU was reluctant not only to achieve its objectives but also to prevent the deterioration of the democratic climate in the EaP partner countries. Specifically, each country in the eastern flank, except for Moldova, is “less democratic” than it was five years ago. While the southern neighbourhood undergoes a democratic transformation of its own, it is extremely important for the EU to learn the lesson of the ENP failure in order to strengthen the democracy in post-revolutionary societies from its eastern neighbours, such as Ukraine or Georgia.

At the same time, most Member States are concerned about the revolutions in North Africa and the Middle East, which could probably lead to worsening the eastern neighbourhood’s democratic climate. Within the Southern flank of the ENP, the revolutions have toppled authoritarian regimes in Tunisia and Egypt, announcing their spread throughout the region, while the eastern flank countries seem to shift to the opposite direction - in other words to strengthen their authoritarian regimes.

Paradoxically, the southern neighbourhood gradually shows the same features of the eastern neighbourhood within the period of the colour revolutions in 2003 - 2005: a number of countries with close economic relations with Europe, but centralized, with non-competitive policies which regularly afford to ignore the needs and wishes of the EU on key issues of politics and security. To prevent the unfolding of this trend, the EU will have to pay much more importance and energy to its

policies for the Eastern neighbourhood in order to turn its presence into a real power capable to influence this region.

The power to influence the Eastern neighbourhood democratization does not consist only in allocating financial resources to the EaP partner countries in order to encourage trade. This power primarily consists in the ability to achieve expected results, establish an agenda and define the needs of partner countries.

Overall, the power to influence Eastern neighbourhood would mean the EU's ability to drive partner countries towards democratic reforms and benefit from the support and adoption of European interests and values in the region. But so far the union's influence on its Eastern neighbours proved to be somewhat marginal in terms of trajectories of democratization, foreign policy and conflict management. In other words, the increased presence of EU in its eastern neighbourhood did not materialize in the power of political influence. Conversely, the more attention and energy the union turned to the Eastern neighbourhood, the less it was able to influence the development or policy decisions in this region.

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