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## Mapping the revamped ENP: actors, issues, challenges, prospects\*

**Abstract:** Talking about the European Neighbourhood Policy (ENP) we need to know its roots and the reasons behind its launch and evolution. This paper offers a brief insight into the background of the establishment of the ENP, the main actors engaged, the causes which decided about the changes, the main direction of such changes, methods applied in the cooperation, areas of such cooperation, followed by the challenges and prospects to overcome the current problems.

**Keywords:** ENP, actors, challenges, institutions, growth and development

### Introduction

The European Neighbourhood Policy (ENP) institutionalises political and economic cooperation between the European Union (EU) and its Southern as well as Eastern Neighbours.<sup>1</sup> This policy-tool is aimed at creating close political ties between the two mentioned above regions and the EU, which is followed by economic integration enabled by mutually approved and established ties. Some of the states are covered by the policy plan to become EU members, others think about association or just closer relations with the EU.

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<sup>1</sup> S. Gstöhl, E. Lannon (eds.), *Neighbours of the European Union's Neighbours*, Ashgate 2015.

What are institutions, what should be understood by institutionalisation and regimes? David Mitrany's institutional theory advocates that cooperation among states should be organised within agencies, especially called into life, which can be helpful in this specific area.<sup>2</sup> Such a solution can be effective even among conflicted states as it helps to carry out a dialogue between them as well as among them and the other states. Dialogue is seen as adversity of isolation or open conflict among states. Approval of external relationship by a state requires confidence and trust. States easier trust other states when they did not demonstrate power towards them in the past. This means that the approval of dialogue is easier to obtain when a state which comes with such a proposal is not bigger and perceived as not aggressive and supportive to others. An offer of a dialogue receives a warmer welcome if it is extended by an organisation. Additionally the advantages of the dialogue offer will increase when a similar offer brings positive effects in another state and when the offer is supported financially.

Institutions/organisations can function in different ways – cooperating with states. Institutions can be arranged in the form of supranational structures or intergovernmental ones, they can also be arranged as mixed structures. Jean Monet and Robert Schuman both had a vision of Europe as a supranational structure. No other structural models were known at that time when the European integration was being designed. Theoretical work on institutions has given rise to regime theories,<sup>3</sup> international system theories, multilevel management models, principal-client theory, etc. All of them show that the international system is not anarchic but it has a structure formed by rules, regulations, institutions, interests and interdependencies, which decide how states behave within that system. The introduced regimes make such behaviour more predictable. Regimes are designed by institutions and rules which determine the decision making process. These rules and shape of the institutions designed by its member states decide about the size of sovereign rights which are delegated

- 2 A. J. Groom, P. Taylor, *Functionalism: Theory and Practice in International Relations*, Crane Russak, New York 1975.
- 3 S. D. Krasner, *Sharing Sovereignty: New Institutions for Collapsed and Falling States*, "International Security", vol. 29, 2004, no. 2, p. 85-120.

to the international level and what proportion of them stay at the national level.<sup>4</sup> Delegating part of laws to the international level means that some sovereign rights of a number of states are moved on that level. Such a solution shows that when states come to an agreement they can make the behaviour of states, their activities framed within certain regulations and more predictable. This means certain costs but these costs are followed by certain gains. Institutionalisation within regimes matters as they play multifold roles in international relations, which are: (1) distribution of power; (2) identity definition; (3) role definition, which can be permanent or changing; (4) choice of structures and principles; (5) providing incentives. Incentives are usually supported by some economic solutions (access to market, redistribution of incomes, more advantageous prices of raw materials, protection in area of security, guarantee of common ideology, conditionality/lack of conditionality, dynamics of adapting needed rules and regulations, dynamics of changes leading to growth, etc.).

The determination to introduce change in the international system was observed on a bigger scale in 1989, when the bipolar system constructed after WWII collapsed. This resulted in the dissolution of a number of multinational states (the USSR, Czechoslovakia, Yugoslavia), it also caused the reunification of two German states, while some others are awaiting such decisions (North and South Korea). Not all states after the collapse of bipolarity in the world were able to build democracy and market economy. Those that succeeded benefited from different types of assistance offered by a variety of international actors. The assistance covered expertise, advice, financing, control; it was conditioned and gave perspective of joining the main stream of the world economy and its institutions, followed by dynamics in guarantying prosperity and wealth.

Currently, states can also choose between two models: market-democracy and a hybrid system with a high share of state and autocratic rules, which shows a number of disadvantages. This choice means that states choosing to become market-democracies have to be determined in their desire, otherwise they will end in the middle of the way, which

4 J. Pelkmans, *European Integration. Methods and Economic Analysis*, Prentice Hall, "Financial Times", 2001.

leads to frustrations, high social costs and finally means the return to the previous *status quo* and the beginning of the changes again after a certain period of time. Let us return to the ENP, what is it? And what does the ENP offer? Starting to answer these two questions we need to make a few observations. Having said that we need to show what type of institutions are engaged in the ENP, what is their aim and how are they changing? The ENP leads to AA, not all the ENP states negotiate or have signed AA. States beyond the ENP in the CIS group did not sign AA.

## **1. What the ENP is and what it is not?**

The ENP was launched within the framework of the European Foreign Policy in 2004 after the EU historical Eastern enlargement. The launch of the Eastern Dimension of the ENP was strongly supported by the new member states of the EU, including the Czech Republic, Hungary, Poland, and the Slovak Republic as well as the Baltic states such as Estonia, Latvia, and Lithuania. All of these countries were eager to support policy-strategies designed to pre-empt the emergence of new divides in Europe. The launch of the Southern Dimension of the ENP was supported by such countries, members of the EU, as France, Italy, Portugal, and Spain. The main objective of the ENP was to “avoid the emergence of new dividing lines between the enlarged EU and our neighbours and instead strengthening the prosperity, stability and security of all.”<sup>5</sup>

The EU has a long tradition of cooperating with its neighbours. Prior to the launch of the ENP, that cooperation took different forms, including a more institutionalised form of collaboration in the case of countries of Northern Africa and the Middle East, and less institutionalised in the case of Eastern Europe.

The ENP is divided into two dimensions: eastern and southern. The Southern Dimension includes such countries as: Algeria, Morocco, Egypt, Israel, Jordan, Lebanon, Libya, the Authority of Palestine,

5 ENP, European Union external action service.

Syria<sup>6</sup> and Tunisia. The Eastern Dimension, i.e. Eastern Partnership (EaP) includes: Belarus, Georgia, Moldova, and Ukraine. Russia was not interested in participating in the ENP, especially since it has been included in more specialised programmes of cooperation extended to it by the EU.

## **2. Institutionalisation of the relations within the ENP: the Eastern Dimension**

Eastern European states have signed Trade and Partnership Agreements or Cooperation and Partnership Agreements with the EU. These agreements were signed and ratified in different years within the foreign policy of the EU addressed towards the former republics of the Soviet Union, which have created the Commonwealth of Independent States (CIS) and tried to liberalise regionally their economic relations within two economic groups which were in permanent flux, changing the number of participating states, moving from one group to another and finally altering the formula of the cooperation. The first group called the Eurasian Economic Community (EurAsEC) was founded in 2000 with five participants: Belarus, Kazakhstan, Kyrgyzstan, Russia, and Tajikistan. In 2006 Uzbekistan joined the forum. EurAsEC was designed in the form of the common market following the EU model of institutional arrangements. EurAsEC was followed by the Single Economic Space (2003) of Belarus, Kazakhstan and Russia. In 2006 the EurAsEC was transformed into a customs union which was followed by the change of the name of the group – EurAsEC was replaced with the Eurasian Customs Union.

The second group is GUAM (incl. Georgia, Ukraine, Azerbaijan and Moldova). This organisation was established in 1996 first as a consultation forum, further also as a military and security arrangement and finally also as a free trade agreement which heads towards development

6 Following the escalation of violence and unacceptable human rights situation in Syria in 2011, the EU suspended all its bilateral cooperation with the Government of Syria in May 2011. Syria's participation in regional programmes was suspended in September 2011. Nevertheless, the EU maintains its direct support to the Syrian population, both inside Syria and in the neighbouring countries.

**Table 1. Partnership and Cooperation Agreements between the EU and the CIS' states, Enhanced PCA, ENP**

State	Date of signing PCA <sup>x</sup>	Date of enforcement of the PCA	ENP
Armenia	1996	1 July 1999. EU aspirations. Negotiations of DCFTA <sup>x</sup> . Action Plan	–
Azerbaijan	1996	1 July 1999. Action Plan. Aspirations to EU. No FTA provisions	+
Belarus	March 1995	Suspended PCA ratification	–
Georgia	1996 (INO GATE)	1 July 1999, AA – Association Agreement, DCFTA, replacing ENP, AA June 2014, ratification pending	+
Kazakhstan	1995	1 July 1999, replaced in 17 December 2009 by New Partnership in Action, 2015 Enhanced Partnership Cooperation Agreement. Interest in ENP, discussed by EC	–
Kirgizstan	1995	1 July 1999	–
Moldova	1994	1 June 1998, AA 27 June 2014 (ratification pending)	+
Russia	1994	1 January 1997, Four Spaces. Roadmap May 2005	–
Turkmenistan	May 1998		–
Ukraine	1994	1 May 1998, AA 21 March 2014 (ratification pending) DCFTA, Action Plan	+
Uzbekistan	1998	1 July 1999	–

<sup>x</sup>K. Żukrowska, *Sytuacja polska w stosunkach gospodarczych z Rosją po 1 maja 2004 roku*, [in:] M. Dobroczyński, M. Lipiec-Zajchowska (eds.), *Wschód jako partner Unii Europejskiej*, WN Wydziału Zarządzania UW, Warszawa 2005, p. 39.

<sup>x</sup>DCFTA – Deep and Comprehensive Free Trade Area.

AA – Association Agreement.

Source: The Author's own arrangement based on the EU documents.

and prosperity. In concept, both organisations resemble the EEC (1957) and EFTA (1960) in Europe, as the first was established as a customs union, while the second as a free trade agreement, leaving the trade policy to be decided in each member state.

It is worth reminding that the Europe Agreements and Trade and Partnership Agreements concluded by the EU with the countries which became in 2004/2007 + enlargement members of this economic organisation were signed in parallel with the agreements establishing free trade among them. The most important agreement of that type was CEFTA established in 1992 by the Visegrad states (V<sub>4</sub>)<sup>7</sup>: former Czechoslovakia, Hungary and Poland. CEFTA enlarged in number by

7 The most important decision of V<sub>4</sub> was the establishment of CEFTA. More information in: S. Parzymies (ed.), *Europejskie struktury współpracy*, PISM, Warszawa 1997.

the division of Czechoslovakia into the Czech Republic and the Slovak Republic, which was followed by regular enlargements of Slovenia (1996-2004), Romania (1997-2007), Bulgaria (1999-2007), Croatia (2003-2013), Macedonia (2006), Albania (2007), Bosnia & Herzegovina (2007), Moldova (2007), Serbia (2007), Kosovo (2007). Free trade in the region prepares the states for the competition with regional partners and expands the market, making it more attractive for FDI inflows. Membership ends with the accession to the EU, when a state becomes an EU member and is included into the EU's common trade policy.

### **3. Institutionalisation of relations within the ENP: the Southern Dimension**

The institutional ties with the EU cover different fields, which can be divided into four categories: financial support, economic integration, easier travel to the EU, technical and policy support. Defining this cooperation closer, one can say that budget general allocations in former multiannual perspective for years 2007-2013 was 12 billion Euro for all projects financed within the ENP. Special conditions of access to the EU market resulted in the increase of the trade turnover, which in 2011 reached the level of 230 billion Euro. The number of Schengen visas which were issued to the citizens of the ENP states is an indicator of easier travels to the EU states. It totalled to 3.2 million in 2012. The figures include young people and students. The more detailed information about the allocation of the EU money covers such areas as financial support for administration building, infrastructure, supporting NGOs and civil society, research and development, etc.

There are a number of regional arrangements in Africa, which were established between 1970-2005. In North Africa there is the Arab Maghreb Union (AMU) functioning since 1980, but the idea was born in the middle of the 1950s. The AMU embraces Algeria, Libya, Mauritania, Morocco, and Tunisia. The states belonging to the AMU also signed the Arab Economic Community (AEC) without participating in the pillars of AEC which form multiple regional blocs such as CEN SAD (1998), COMESA (1994), ECOWAS (1975), EAC (2001), SADC

**Table 2. Institutionalisation of the relations between the EU and the ENP states in North Africa**

State	Agreement with the EU	Action Plan	EU aspiration
Algeria	AA, September 2005	2004	No
Egypt	AA June 2004, FTA provisions	2006	No
Israel	AA June 2000, FTA provisions	2004	No
Jordan	AA, May 2002, FTA provisions	2004	Yes
Lebanon	AA, April 2006, FTA provisions	2006	No
Libya	Negotiations of Framework Agreement started in November 2010		No
Morocco	AA March 2000, FTA provisions	2004	No
Palestinian Authority	Interim AA, July 1997, FTA provisions	2004	No
Syria	CA, 1978, updated AA initiated in December 2008, signed by EU, Syria delayed signature. Ratification pending		
Tunisia	AA, March 1998, FTA provisions	2004	No

AA – Association Agreement.

FTA – Free Trade Agreement.

CA – Cooperation Agreement.

Source: The author's own arrangement based on the EU documents.

(1980), ECCAS (1985), GAFTA<sup>8</sup> (2005), CEPGL (1976), COI (1984), LGA (1970), MRU (1973).

The complicated 'spaghetti bowl' of the African free trade agreements, in which states plan to transform into the internal single market (2019) which is seen as the foundation for a monetary union in 2028. It is interesting that more advanced economically states are integrated with the EU and also among themselves, while less developed economies are also tightly (institutionally) linked one with another in strongly overlapping regional structures. States covered by such agreements are not scared by regional liberalisation as they do not have much to trade or protect. They also represent a more or less similar level of development within the groupings which they form in the created agreements. They are linked with more advanced economies and they lean on them. In general, this complicated pattern of liberalisation is grounded in a certain type of consecutiveness and gradualism.

8 GAFTA covers Egypt, Libya, Morocco, Sudan, Tunisia. Four of the mentioned states participate in the ENP and are associated with the EU (with the exception of Libya, which negotiates the agreement). In the majority of the regional groupings FTAs and custom unions are fully in force.



The existing protection resembles a frame dam, which any time can be raised in some states, causing better access for the remaining markets. Such a decision requires preparation of institutions, laws, infrastructure, administration and education of people. Most of the states from North Africa are reluctant to join the EU, they feel African, which means that they are not entitled to join the EU. The membership perspective was seen as a strong incentive in the case of the states which joined the EU in 2004+. The article of the treaty stating that only a European state can become a member of the EU can be changed with strong pressure of those who fulfil the remaining membership conditions. A future member of the EU, according to the Copenhagen Criteria (1993), has to be a functioning market economy and possess the capacity to face the competition and market forces on the EU market. A candidate should also retain stable institutions guaranteeing democracy, followed by the rule of law, observing the human rights and respect for and protection of minorities. The future member should be able to shoulder and implement the obligations of a member. This includes the goals shaped by the political, economic and monetary union. All this brings obligations to comply with the EU standards and rules, having consent of the EU institutions and of the member states, which implies also the consent of the citizens of the member states, expressed by the approval in national parliaments or referenda.

Returning to the limits which are designed by the borders of Europe, one should say that currently some EU members break this regulation. Enough to say that Cyprus lies geographically in the African latitude, the same as the overseas territories of Portugal or Spain. Finally, Turkey which spreads into the Asian geographic latitude negotiates the EU membership. In the case of the Eastern dimension the needs are different. People are skilled and in most cases laws and institutions are imposed, nevertheless they are not used for the benefit of the whole nation or state but for the benefit of individuals. It is not enough to introduce laws and institutions as institutions have to be used in a decent way and laws followed. Corruption seems to be a big problem in most of the newly established democracies and market economies. Most of the Eastern states covered by the ENP plan to join the EU.

## **4. The ENP as a model of development and growth?**

The ENP supplies the EU partner-countries with a pattern, a model upon which to introduce change in their socio-economic systems and assist them in becoming effectively administered market economies and well-functioning democracies. This is achieved with support of expertise, financial means and control. The pattern of changes is prepared by a country and submitted as declaration of an Action Plan to the Commission. In the next phase, the Plan is evaluated by the Commission, which with the discussion of the state leads to the Adoption of the Plan. With some corrections, the Plan after some changes is approved by the ENP partner. The Action Plan is always designed by an ENP state for a certain period of time. Practice shows that such plans are adopted for 3-5 years. Such spread in time when the fulfilment of the plan has to be achieved gives some flexibility to the states as far as certain difficulties can occur during the realisation of the plan. Moreover, time bracketing gives a free hand to politicians of the state concerning the dynamics of changes. If they are able to introduce planned changes in a shorter time, the state can move to another Action Plan – speeding up implementation of the goals, including the development goals. When the realisation takes longer but falls into the number of years indicated in the brackets, nobody will criticise the performer and will applaud him and his achievements. This is done in reports prepared by the ENP states whereas the evaluation of the achievements is performed by the Commission in launched Progress Reports.

The model uses very similar methods to those which were applied in the accession process of the states which joined the EU in 2004 and after. Declarations of needs and changes, schedule of changes, its consecutiveness and timing are evaluated by the European Commission but are always seen as the state's own, national Action Plans. A positive role in this respect is also played by the fact that the ENP state receives money helping it to achieve the planned goals reducing the financial burdens of such activity which otherwise would be financed wholly by financial means coming from the budget. Finally, last but not least, external control of what was planned and what the costs of that enterprise were, and what was achieved in the planned timing, is evaluated by the European Commission. This means that there is a kind of external control – which seems to be important in the case of newly born

political actors in new democracies, who can follow different patterns of behaviour, namely making a long list of promises which cannot be fulfilled as they are utopian, populist and unrealistic.

Such an approach using sovereignty as the criterion is designed in such a way that in all stages of the preparation of the Action Plan there is an external reader and evaluator involved in the project. Nevertheless, the final outcome of such a discussion which accompanies the preparation of the Action Plan is not perceived as dictatorship but rather as advice which helps to focus on the main problems and pushes the administration to fulfil the prepared plans. The second thing worth stressing here is the Report of realisation of what was planned. In other words, the external body controls how money from the EU budget was spent, what was done and what is left behind and how this can be achieved. It also shows if the financial instrument was properly used (according to the laws which show that bills have to be reasonable). If the Action Plan is fulfilled, the Commission is ready to approve of the next Action Plan in a similar way. The procedure is repeated. The method applied here resembles the pattern which was used in the case of CEFTA states during the process of their accession in 2004. If properly applied (effectively), it leads to new crediting and the approval of the next Action Plan.

## **5. Issues covered by the ENP**

What are the principles which are used as guidance in the new and ambitious European Neighbourhood Policy?<sup>9</sup> Those principles are divided into four categories which embrace support:

- in the area of progress towards “deep democracy”;
- for sustainable economic and social development;
- for building effective regional partnership within the ENP;
- in helping to simplify and prepare coherent policy and framework for the programs which can be conducted in cooperation.<sup>10</sup>

<sup>9</sup> European Commission, A new and ambitious European Neighbourhood Policy, MEMO/11/342, Brussels, 25 May 2011.

<sup>10</sup> Ibidem.

After the first period of experience which indicated the advantages and disadvantages of the applied methods, the ENP started to change. Needs of the partners became also more sophisticated in comparison with the less advanced and immature stages at the start of the ENP. The situation in the region became more tensed after the spurts of the Arab Spring, which started on 18 December 2010 in Tunisia and afterwards swept through the whole region and particularly through Algeria, Lebanon, Jordan, Kuwait, Morocco, Libya, Egypt, Sudan, Saudi Arabia, Syria and Iraq.<sup>11</sup> The encountered problems gave a clear picture of what had to be done. Nevertheless, knowing what was needed, did not mean that the task to be fulfilled was seen as an easy one. The states in the region demonstrated by means of massive protests (Yemen, Sudan, Jordan, Tunisia, Egypt) that they were determined to support changes, although, in a number of cases the regime demonstrated that it was still powerful, which created difficulties in changing it and replacing by a more democratic representation of the nation (Iraq, Libya, Syria). Some states were more successful, other ones less. Some protests were violent, other ones were limited to demonstrations (Palestinian Authority, Djibouti, Somalia, Mauritania, Saudi Arabia, and the UAE).<sup>12</sup> Not all states engaged in the Arab Spring were participants and beneficiaries of the ENP. Nevertheless, the policy of changes can be linked with closer relations with the advanced European democracies. Moreover, the Arab Spring was commenced in Tunisia, a country which participates in the ENP.

The Arab Spring indicated that societies could communicate easily and react to calls which promised changes for the better. At the same time, they revealed weaknesses of the market supply and lack of organisational background of the civil society. In the first case, limited supplies of food resulted in the increase of food prices which in turn can be seen as an effectively discouraging factor. The revamped ENP seems to be, on the one hand, a natural evolution of the policy after some years of experience, while on the other hand, it is also designed in reaction to what happened in the North of Africa and in the East-

11 H. Dabashi, *The Arab Spring. The End of Postcolonialism*, Zed Books, New York 2012.

12 M. Kamrava (ed.), *Beyond The Arab Spring. The Evolving Rule in the Middle East*, Oxford University Press, Oxford 2014.

ern part of Europe. In the latter we witnessed the reaction of Ukraine to the Vilnius EU summit.<sup>13</sup>

**Table 3. Pillars of the ENP after relaunching the policy in 2011**

<b>Deep democracy progress – support</b>	<b>Sustainable economic and social development support</b>
Free and fair elections; Freedom of association, expression and assembly, free press, media; Rule of law administered by independent judiciary and right to fair trial; Fighting against corruption; Security and law enforcement sector reform (including police) and establishment of democratic control over armed and security forces	Support in adoption of policies conducive to stronger sustainable and more inclusive growth, to development of S&M firms followed by job creation; supporting industrial cooperation, improving business environment; promotion of investments, including EU capital from SME and micro-credits; launching pilot development program in industry, trade, services and agricultures; stimulating reforms; enhancing effectiveness of Macro-financial Assistance; employment and social policy; FTAs with those who want to establish them; Trade concessions in fields which can play major role in economic development and increase the dynamics of growth; Sector cooperation. Focus on innovation and knowledge; Cooperation in selected EU agencies and programs
<b>Effective regional partnership within ENP</b>	<b>Simplified and coherent policy and programming framework</b>
Conclusion and implementation of AA, embracing Deep & Comprehensive FTA's DCFTAs; Democratization practice; Sectoral cooperation; Visas regimes – liberalization and lifting; Promotion of benefits for citizens deriving from ENP; Rural development and cooperation in this field; Civil society cooperation; Institution building; Dialogue on migration; Subregional cooperation; Dialogue on employment, social policies	ENP Action Plans; Supply with additional resources; Additional loan facility; More flexible and simplified financial; support within ENPI; Coordination of financial and monetary policies (EU-MS-IFIs – individual donors); Design of tools used in planning and reporting (Action Plans, Partnership reports, Medium goals, Policy advice, etc.); Engagement of EBC, EIB, EBRD

Source: Prepared with the use of: European Commission, *A new and ambitious European Neighbourhood Policy*, MEMO/11/342, Brussels, 25 May 2011.

<sup>13</sup> *Battle for Ukraine. Crackdown in Kiev*, "The Economist", 30 November 2013.

The EU declares that deep changes in the neighbourhood require specific actions and engagement of the member states and its institutions and financial means. This includes also involvement in conflicts with the aim of bringing them to an end. It also takes into account the possibilities to use jointly the Common Foreign Security Policy and other EU instruments which are available within its framework. It is also stressed that the EU will encourage the mobility, namely face-to-face contacts, seen as solutions enabling mutual understanding. This includes also labour mobility, managed legal migration, scientific exchanges and business-missions. It is also stressed that Actions Plans will remain the most important tools in mutual cooperation between the ENP and the EU and EU member states.

In 2014, the EU supported the ENP by establishing the European Neighbourhood Instrument (ENI), which has replaced the European Neighbourhood and Partnership Instrument (ENPI). The ENI is worth over €15 billion and will be implemented over the period 2014-2020". The document which regulates the solutions which were approved in the framework of the ENI states who is eligible to participate in the projects financed by the ENI, what the money can be spent on, who can apply for the sources and what are the shares of allocations on specific shares. There are 16 neighbouring states eligible to use the financial support offered within the ENI. Those are the following: Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, the Republic of Moldova, Morocco, occupied Palestinian territory (oPt), Syria, Tunisia, Ukraine.<sup>14</sup> It should be noted that the former financial instrument of ENPI included Russia, while the recent solutions exclude the state from benefiting within the framework of ENI. It is explained that "[...] ENI is established in view of advancing further towards an area of shared prosperity and good neighbourhood involving the Union and the countries and territories listed in the document."<sup>15</sup> From the list of objectives which should be supported by the financial instrument one is worth quoting: "supporting smart, sustainable and inclusive development in all aspects, reducing

14 Regulation (EU) No 332/2014 of the European Parliament and the Council of 11 March 2014. Establishing the European Neighbourhood Instrument. Annex 1, Official Journal of the European Union, 15.03.2014. L77/39.

15 Ibidem, article 1, point 1.

poverty, including through private sector development, and reducing social exclusion; promoting capacity building in science, education and in particular in higher education, technology, research and innovation; promoting internal economic, social and territorial cohesion; fostering rural development; promoting public health; and supporting environmental protection, climate action and cluster resilience.”<sup>16</sup>

On the European side, partners who can participate in the projects are listed as territorial units along the borders that belong to the countries of the European Union Area (EEA). This is stated in the introductory part of the regulation in point (10). This means that the use of ENI on the side of EU is expanded beyond the EU and additionally includes Iceland, Lichtenstein, Norway. The participation of Switzerland brings some doubts as Switzerland belongs to EFTA but did not sign the EEA, signing later a bilateral agreement with the EU on 4 liberties. Switzerland is a member of EFTA but the EEA ratification was rejected in this country in 1992, which was removed as a contracting party in the 1993 protocol.

The programs financed with the ENI support can be conducted within different framework arrangements:

- Bilateral programs, which means the EU support to one of the partner states;
- Multi-country programs gathering a number of partners, which are built on common interests matching the priorities of the ENP. In the projects listed here Northern Dimension of the ENP is mentioned with the synergy of the Black Sea. This enables Russia to participate in the programs;
- Cross border cooperation means involvement of one or more EU member states and one or more partner states (including the Russian Federation.)<sup>17</sup>

## Conclusions

The ENP faces a growing number of challenges as new issues were added to the problems designed in documents which accompanied the

<sup>16</sup> Ibidem, article 1, point 2 (d).

<sup>17</sup> Article 1 (3) states: “other cross-border cooperation participating countries.”

lauch of the policy. The most sensitive problems in this group cover: (1) arising tensions among the states in the region including the Syrian war and the expansion of the conflict, which recently (September/October 2015) includes also the engagement of Russia; (2) a number of effective systemic changes in the region, which have to be continued, leading towards certain sustainability, which means further development of political structures, institutions as well as economic development; (3) a number of ineffective, failed attempts to change the political and economic transitions, which require further support, helping to increase the chances of effective change; (4) problems with a wave of refugees and the reaction (a long time needed to reach an agreement concerning the details on the cooperation of the EU states in dealing with this issue); (5) increasing financial sources allocated to the countries covered by the ENP and giving more focused goals on which the spending of available sources should be concentrated; (6) increasing use of Soft Power and Intelligent Power means; (5) enhancing relations between educational and administration institutions of all levels: in the case of education schools, universities, in the case of administration central and local levels; (6) supporting process of civil society build-up; (7) creating conditions which can stimulate growth in the region, bringing wealth and thus support to those changes; (8) advising states how to solve the problem of limited food supply which results in relatively high prices of food and agriculture products. The ENP is a model of cooperation that the EU applies towards its neighbours. It evolves and adjusts to the new needs, and as such it serves as an additional level of management, a level that is located beyond the borders of the national state. This specific form of cooperation is built upon several pillars which help to determine the right direction of changes and sufficient dynamics of that process and the attainment of the ENP's goals and objectives.



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