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The European Neighbourhood Policy: Effective Instrument for Conflict Management and Democratic Change in the Union's Eastern Neighbourhood?

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Human and Minority Rights in the Life-Cycle of Ethnic Conflict
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Effective Instrument for Conflict Management
and Democratic Change in the Union's Eastern Neighbourhood?

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Abbreviations

AP	Action Plan
CEE	Central and Eastern Europe
CEECs	Central and East European Countries
CFSP	Common Foreign and Security Policy
EES	European Security Strategy
ENP	European Neighbourhood Policy
EUBAM	European Union Border Assistance and Monitoring Mission
EUGAP	European Union-Georgia Action Plan
EUMAP	European Union-Moldova Action Plan
EUUAP	European Union-Ukraine Action Plan
PCA	Partnership and Cooperation Agreement
SO	South Ossetia
TN	Transnistria

1. Introduction¹

In early April 2008, the European Commission issued a report analysing the implementation to date of the European Neighbourhood Policy (ENP), the EU's flagship instrument for managing relations with the countries on its Eastern and Southern borders. The report concluded that after three years of practical implementation the ENP could be considered a broadly successful initiative though it did acknowledge limited progress, particularly as concerns the resolution of conflicts in the Eastern neighbourhood.² In this light this paper explores and evaluates the role and efficacy of the ENP in the EU's Eastern neighbourhood with a particular focus on the issues of conflict management and democratic change. The work suggests that despite evident shortcomings and domestic elite dissatisfaction, the ENP has had a mildly beneficial effect in terms of boosting democratic change and furthering processes of conflict management in both Moldova and Ukraine. Conversely, in the case of the Southern Caucasus, ENP's effect has been at best negligible -- there is virtually no evidence of positive democratic developments correlating with an EU effect or otherwise, and the conflict situations in the region have either remained stagnant (as in the case of Nagorno-Karabakh) or deteriorated into renewed outbreaks of violent conflict (as was the case in South Ossetia in August 2008).

The first strands of the European Neighbourhood policy began to take shape in the early 2000s in response to the growing awareness among member states, spurred on in particular by the governments of the acceding countries, of the need for a "new" approach to the neighbours that would appear on the EU's borders in the wake of enlargement to Central and Eastern Europe.³ Early discussions in the Council and the Commission suggest that key concerns of the union were stability and security on the EU's borders as well as the broader hope to extend prosperity to a "ring of friends" in the Union's immediate backyard. Such priorities have continued to be stressed in Council and Commission documents reflecting from the outset that the EU's own interests in (i) securing its borders from undesirable traffic and the potential ripple-effects of political instability or conflict, and (ii) maintaining the integrity of its markets have been at the heart of the neighbourhood policy.⁴ The European Neighbourhood Policy was launched in March 2003 and now embraces 16 countries in its Eastern and Southern neighbourhood.⁵ Both in its post-inception evolution and its procedural components, ENP has taken much from the model of the successfully perceived enlargement to Central and Eastern Europe (CEE) with the essential difference that the EU's neighbours have not been offered the prospect of membership in the club.

¹ This paper was written with the invaluable research assistance of Benedikt Harzl, Diana Isac and Ola Onuch.

² In December 2007 the Commission acknowledged that the EU side needed to do more, inter alia, in addressing regional conflicts. See http://ec.europa.eu/world/enp/documents_en.htm, accessed September 15, 2008.

³ Date for enlargement was finally set at Copenhagen European Council meeting in 2002 - the first 8 CEECs acceded in May 2004 followed by Bulgaria and Romania in January 2007.

⁴ European Council of December 2006 reiterated its commitment to strengthening ENP 'to consolidate a ring of prosperity, stability and security'. See http://ec.europa.eu/world/enp/documents_en.htm, accessed August 5, 2008.

⁵ The following countries form part of the European neighbourhood: Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, Occupied Palestinian Territory, Syria, Tunisia and Ukraine.

ENP was in part designed to address the particular economic and political issues faced by the countries that form part of the European neighbourhood though, of course, many questions have been raised about the appropriateness of the model and its capacity to address the huge internal diversity of ENP countries as well as the diverse interests of the EU and its member states vis-à-vis the different countries in its neighbourhood. At the same time, the growing concerns relating to the EU's internal absorption capacity (the so-called fourth Copenhagen provision) as well as enlargement fatigue have meant that the ENP's evolution has been very much shaped by EU internal interests, and notwithstanding the overarching framework, its interactions with each of the neighbourhood countries have also been moulded by a diverse set of EU external interests.

There has been much discussion in the academic literature and policy community as to whether the EU's employment of conditionality, which has remained the union's central tool for inducing compliance in its relationships with external partners, is limited in its possible efficacy in the European neighbourhood in terms of inducing political and economic progress towards the EU's framework of democratic liberal market values given the absence of the ultimate carrot of membership. It is argued here that the effectiveness of conditionality is weakened not only because of its limited "pull-leverage" but also because the traditional difficulties concerning its application as identified by Hughes, Sasse and Gordon⁶ in the Central East European context -- including unclear demands, vague benchmarking, moving targets, politicised decision-making, etc. -- are exacerbated in the case of the ENP countries, further undermining its efficacy as a tool for inducing compliance and change.

Some scholars of Europeanization and of the EU's relationship with external parties have favoured an alternative model of conceptualising the effects of processes of EU rapprochement and of integration policies, focusing instead on the potential socialising effects resulting from the EU's policies of engagement with third parties. The socialisation literature that explores processes of norm transfer and procedural habituation may in fact, as Sasse has suggested, in the absence of clear incentive and enforcement structures, provide a more pertinent framework for comprehending the dynamics of the interactions and assessing possible outcomes in terms of the ENP's impact on the states in its Eastern neighbourhood.⁷ Through such a perspective, we can see that the prospects of long-term European integration, and even membership in the case of Ukraine and Moldova, may be enhanced. Conversely, the limited efficacy of the ENP in terms of democratic norm transfer and procedural habituation can also be understood with reference to countries such as Azerbaijan and Armenia whose relationships with the EU are driven by a different set of dynamics notwithstanding the prominence given to the rhetoric of community values in EU documentation. Thus, this investigation of the impact of the ENP identifies contrasting outcomes in the countries of the Former Soviet Union: despite evident frustrations among governing elites in both Ukraine and Moldova with the shortcomings of the instrument, a mildly positive effect can be identified in these cases whereas conversely, the impact of ENP in the countries of the Southern Caucasus - Armenia, Azerbaijan and Georgia - would appear to have been negligible in the areas of conflict management and democratization. This has been underlined most recently by the renewed outbreak of violent conflict in South Ossetia and Georgia.

⁶ James Hughes, Gwendolyn Sasse and Claire Gordon, *Europeanization and Regionalization in the EU's Enlargement to Central and Eastern Europe: The Myth of Conditionality* (Palgrave, 2004).

⁷ Gwendolyn Sasse, "The European Neighbourhood Policy: Conditionality Revisited for the EU's Eastern Neighbours", 6(2) *EuropeAsia Studies* (2008), 295-316.

Outline of paper

Though a considerable number of articles and papers have appeared exploring the evolution and history to date of the ENP, highlighting some of the underlying tensions in its structure and organisation, and questioning its capacity to deliver, few studies have focused on the perception and operation of ENP from the perspective of the neighbourhood countries themselves.⁸ The current paper begins to fill this gap by exploring the reception and implementation of the ENP in the countries in the Eastern neighbourhood: Moldova and Ukraine, which have been part of the ENP since 2003, and the Southern Caucasian countries of Armenia, Azerbaijan and Georgia, which were invited on board in June 2004. While recognising the importance of the opening up of markets and related trade- and market-alignment policies, the paper focuses largely on the political dimension of the ENP and examines its priorities and activities in the area of conflict management and democratic change. We also touch on the issue of regional cooperation.

In the first part, we introduce some of the themes and contentions of the paper. Secondly, we outline the evolution of the ENP and its organisational/institutional delivery structure before turning our attention to the specific areas of: (i) conflict management and (ii) democratization and human rights. Fourthly, we examine these issues in our case studies in the Eastern neighbourhood focusing mainly on Ukraine, Moldova and Georgia with a lesser focus on Armenia and Azerbaijan. This paper draws on a range of materials - books, journal articles, newspaper articles, Commission documentation, internet materials, opinion polls and interviews.

2. The Problematic of ENP and The Eastern Neighbourhood

2.1 ENP and the Eastern Neighbourhood

- (1) **The domestic context is critical:** It is suggested here that given the complexities of the geopolitical environment in the Eastern neighbourhood, and in the absence of a clear-cut and sufficiently attractive incentive structure in the ENP, the political and economic conjunctures at home take on an even greater significance in how the ENP is viewed, brought into play and translated into policy in each of the neighbourhood countries.
- (2) **The broader set of interactions between domestic, regional and international actors** adds a further layer of complexity to this investigation. A comparison with CEE illustrates the pertinence of this point. For the Central and East European Countries (CEECs) which acceded to the Union in 2004 and 2007, the EU was the only “game in town” - economically, politically and from a geo-strategic perspective. The same cannot be said for the Eastern neighbourhood countries, particularly in the Southern Caucasus, but also to differing degrees for Ukraine and Moldova, which have complex post-Soviet relationships with Russia, not to mention relationships with other surrounding states, all of which are factored into government calculations in terms of responses to and uses of ENP in the partner countries. Even the economic incentives are less clear for the differently structured economies of the FSU. In this context, neither the pull factor nor the push factor of the EU may be strong enough to induce institutional alignment, democratic change and norm transfer.

⁸ On ENP see Buscaneanu (2006), Barbes and Joahanssen-Nogues (2008), Magen (2006), Sasse (2008), Smith (2005), and Varwick and Lang (2007).

- (3) The EU's reluctant involvement in processes of conflict resolution together with its failure to develop effective conflict management policies and to place conflict management at the centre of this policy instrument may also undermine the ENP. Our analysis of ENP approaches to the frozen conflict situations in Moldova and the South Caucasus, and of the place of conflict management within the overarching ENP framework, questions the potential effectiveness of the ENP (i) to facilitate conflict resolution and (ii) to deliver market and democratic value alignment particularly in the South Caucasus given the EU's evident reluctance to take a more active role in conflict resolution processes in the Eastern neighbourhood. This has been compounded by its failure to develop appropriate and effective ways to address these conflict situations as acknowledged in the Commission Communication of December 2007. This is reflected both in the continuing "stateness" questions which beset these countries, impeding progress in other aspects of political and economic transition, and in the recent renewed outbreak of violent conflict in South Ossetia in August 2008.⁹

Given the degree of *de facto* separation between Moldova, Georgia and Azerbaijan and their breakaway regions of Transnistria, Abkhazia, South Ossetia and Nagorno-Karabakh, separation which has become increasingly entrenched with the passage of time, trickle-down effects to the regions from the successful implementation of trade and market alignment policies, the strengthening of processes of democratisation and the enhancement of the rule of law and human rights policy implementation are unlikely to be strong enough except perhaps over a very long time span. Moreover, it is questionable whether the pull effect, even in the case of successful ENP implementation in the metropolitan state, would lead to eventual conflict resolution. It is worth noting at this point that the breakaway regions themselves are in fact omitted from the broader ENP Action Plans though the EU has begun to fund in a limited way local level civil society projects in Transnistria and Abkhazia, which may suggest a beginning recognition of the need to find ways to engage, build confidence and spread democratic norms in secessionist regions.

2.2. *Post-Communist Transition and the Eastern Neighbourhood*

Two critical issues THAT characterise post-communist transitions in the EU's neighbourhood significantly affect the potential for and actual operationalisation of the ENP in the Eastern countries:

- (1) **Different state- and nation-building challenges:** Though all the CEECs faced state- and nation-building issues in the wake of communist collapse, these were not of the complexity of the structural puzzles posed by the institutionalised multi-nationality in the Soviet Union, characterised as it was by the hierarchical relationship of autonomous republics and regions to the union republics.¹⁰ These often arbitrary institutional boundary and status decisions, dating back to the Stalin period, which were undermined in the early post-Soviet period by

⁹ See Linz and Stepan, 1996 for discussion of 'stateness'.

¹⁰ Terry Martin, *The affirmative action empire: nations and nationalism in the Soviet Union, 1923-1939* (Cornell University Press, 2001).

nationalising republican leaderships (such as the withdrawal of autonomy by Zviad Gamsakhurdia in the case of South Ossetia and Abkhazia), were cemented precisely at the time of regime and state collapse by the decisions of the Badinter Commission.¹¹ This left Abkhazia and South Ossetia, Nagorno-Karabakh and Transnistria as parts of the newly independent and nationalising states of Georgia, Azerbaijan and Moldova, with no internationally validated legal rights to secede, and facing escalating security dilemmas in the aftermath of Soviet collapse. The persistence and apparent intractability of the frozen conflicts in the region have, with the exception of Ukraine - conflict-prevention in Crimea presenting the counter-example to the trend -- shaped and impeded political and economic development in the Eastern neighbourhood.¹²

- (2) **Absence of clear-cut transition outcomes:** Moreover the countries of Central and Eastern Europe, perhaps with the exception of Bulgaria and Romania, experienced much more clear-cut transitions and breaks with the communist past than those in the Former Soviet Union. In the countries of CEE, there was broad consensus over the three-pronged goals of transition - democratisation, marketisation and the “return to Europe”. In the Former Soviet Union (with the exception of the Baltic states), the outcomes of communist collapse were much less unambiguous, and to this day there is considerable variety in the structures and orientation of the economic and political regimes that have emerged in these countries. According to the 2008 Freedom House *Nations in Transit* report, none of the countries considered in this study have been classified as consolidated or even semi-consolidated democracies and range rather from hybrid regimes (Ukraine and Georgia) to semi-consolidated authoritarian regimes (Moldova and Armenia) and consolidated authoritarian regimes (Azerbaijan).¹³ Of course, these designations may be open to debate, and the direction of political change may tell us more than a particular categorisation, but the basic point of the absence of clear-cut transition outcomes holds firm.

3. The European Neighbourhood Policy

3.1 *The Evolution of the European Neighbourhood Policy*

The objective is “to prevent the emergence of new dividing lines between the enlarged Union and its neighbours...by sharing the benefits of the EU’s 2004 enlargement with neighbouring countries in strengthening stability, security and wellbeing” (Wider Europe - Neighbourhood, March 2003).¹⁴

¹¹ Rogers Brubakers, *Nationalism reframed: nationhood and the national question in the New Europe* (Cambridge University Press, Cambridge, 1996). Valerie Bunce, *Subversive institutions: the design and the destruction of socialism and the state* (Cambridge University Press, Cambridge, 1999).

See Caplan’s insightful study (2007) on the rulings and impact of the Badinter Commission. For Badinter Commission rulings, see <http://www.ejil.org/journal/Vol4/No1/art4.html>, accessed July 27, 2008.

¹² Gwendolyn Sasse, *The Crimea question: identity, transition, and conflict* (Harvard University Press, 2007).

¹³ http://www.freedomhouse.hu/index.php?option=com_content&task=view&id=196

¹⁴ Accessed at http://ec.europa.eu/world/enp/policy_en.htm, July 26, 2008.

Evolution of European Neighbourhood Policy - Time Line

March 2003	ENP outlined by Commission -- Wider Europe
December 2003	European Security Strategy published.
May 1, 2004	Accession of 8 CEECs plus Cyprus and Malta
May 2004	Publication of European Neighbourhood Strategy Document
June 2004	Countries of Southern Caucasus (Armenia, Azerbaijan and Georgia) finally included in ENP.
2005	Action Plans agreed with Moldova, Ukraine, Israel, Jordan, Morocco, the Palestinian Authority and Tunisia
2006	Action Plans concluded with Armenia, Azerbaijan and Georgia
2007	Action Plans concluded with Egypt and Lebanon

The ENP was developed as a reactive policy in view of the impending enlargement of the European Union into Central and Eastern Europe in the early 2000s. It was reactive in the sense of reflecting a growing appreciation that the expanded EU would soon have to deal with a new group of neighbours, particularly on its Eastern borders, which at the time were at best located in the grey zone¹⁵ of semi-democracies such as Ukraine and Moldova and at worst authoritarian regimes on its borders as in the case of Azerbaijan, many of which posed direct security concerns to the EU in terms of porous borders, human and drug trafficking, unresolved conflict situations and potentially large immigration flows. The EU was evidently interested in (i) containing these security threats at the border, (ii) facilitating policy change in these new neighbours to create a safer, securer and more prosperous neighbourhood while (iii) drawing a line, for the time being at least, under the further expansion of the Union.

In April 2002, the General Affairs and External Relations Council (GAER) called on the External Relations Commissioner Chris Patten and the High Representative Javier Solana “to work up ideas on the EU’s relations with its neighbours”.¹⁶ In November of that year the GAER highlighted the need to develop a “long-term and integrated approach” to Ukraine, Moldova and Belarus “with an objective of promoting democratic and economic reforms, sustainable development and trade, thus helping to ensure greater stability and prosperity at and beyond the new borders of the Union”(Council of European Union 2002).¹⁷ The Copenhagen European Council (December 2002), which was also the first time a firm date was placed on the CEEC enlargement timetable, approved the GAER’s conclusions and also stressed the imperative of avoiding the creation of new dividing lines in Europe. It was at this point that the Southern Mediterranean countries were also incorporated in this new policy departure, much to the chagrin of Ukraine.

The first comprehensive proposal “Communication to the Council and the European Parliament - The Wider Europe - Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours” drawn up in the Commission was presented in March

¹⁵ Thomas Carothers, *Aiding Democracy Abroad: The Learning Curve* (Carnegie Foundation for International Peace, Washington, D.C., 1999).

¹⁶ Amichai Magen, “The Shadow of Enlargement: Can the European Neighbourhood Policy Achieve Compliance” (European Legal Studies Center, Columbia University, 2006), 391.

¹⁷ Also cited in Buscaneanu. Original can be accessed at: http://ec.europa.eu/world/enp/documents_en.htm:

2003.¹⁸ While confirming the objectives approved by the European Council the previous December the policy proposal also laid out the parameters of the new set of relationships, stressing the importance of democracy, pluralism, human rights and the rule of law for political stability, underlining the intention to foster regional cooperation particularly between Russia and the NIS, and including a very brief acknowledgement of the negative effects of conflict. Though the tenor of discussion in much of the document remains general and declaratory, the very cursory mention of TN as a “magnet for organised crime” and also as derailing “the process of state-building and state political consolidation” suggests that in DG Enlargement where the document was drawn up not only was the issue of frozen conflicts not at the forefront of debate but also that the ENP in its evolution as much as anything reflected the EU’s own interests (in the case of TN the concern was to avert any negative spill-over westwards), and certainly did not suggest at this stage a concerted approach to conflict management within the overall framework of the ENP. In equally general, vague and rather non-committal terms, the Commission proposed the following in terms of potential EU involvement in conflict management efforts: greater EU involvement in conflict prevention, crisis management, funding for post-conflict reconstruction and support of the efforts of OSCE and other mediators. Likewise the focus on cooperation between Russia and other NIS countries and the lack of concrete proposed actions also suggests that the notions of regional cooperation in the Eastern neighbourhood remained very sketchy at this point. In terms of democratic benchmarks, the Wider Europe paper mentions the implementation of international conventions, including the UN Human Rights Declaration, the OSCE and Council of Europe standards.

In May 2004 the European Neighbourhood Strategy paper was issued.¹⁹ Whereas in the March 2003 paper the section on “Neighbourhood and EU Membership” made a specific link to Article 49 which avers the possibility for any European state to apply for membership, the May 2004 Strategy Paper specifically drew a line between the current policy instrument and the possibilities available to European countries under Article 49, a downgrading which caused considerable disappointment in Kiev. The new EN Strategy paper introduced “Action Plans” as the instrument for the agreement of joint priorities and a point of reference for the programming of assistance between the EU and each participating country. (Action Plans are discussed in more detail on page 13). Compared with March 2003, the May 2004 Strategy Paper gives greater prominence to the EU’s contribution to the settlement of regional conflicts. This may be the result of a degree of learning on the part of the Commission or a reflection of the decision to include in the ENP the countries of the South Caucasus - Armenia, Azerbaijan and Georgia - and as result their frozen conflicts - in Nagorno-Karabakh, South Ossetia and Abkhazia. Though the EN Strategy Paper is more focused on the organisational mechanics of the ENP, some policy areas in the context of broadening dialogue and neighbourhood cooperation are indeed discussed. However, the areas of concern in this paper in the Eastern neighbourhood are not fleshed out in any greater detail than in the Wider Europe Strategy Paper. Moreover though there is some more focused discussion of approaches and for a for regional cooperation in the Mediterranean in particular in the context of the Barcelona process, possible areas for cooperation enumerated in the Eastern neighbourhood remain extremely

¹⁸ European Commission, March 2003, accessed July 20, 2008, http://ec.europa.eu/comm/world/enp/pdf/com03_104_en.pdf

¹⁹ See http://ec.europa.eu/world/enp/documents_en.htm, accessed July 29, 2008.

broad and lacking in specificity, and there is no mention of regional cooperation in conflict management.²⁰

3.2 *The Organisation of ENP*

3.2.1 Operating Principles

The ENP is built around a number of central operating principles: differentiation, partnership and joint ownership all of which are stressed at the outset of each Action Plan.

(i) Differentiation: In an attempt to accommodate the evident diversity in the countries making up the EU's rim ranging from Georgia and Azerbaijan to Israel and Jordan, relationships between the Union and ENP countries are built on a particularised basis with individual Action Plans designed according to the individual characteristics of each country, though structured on a similar cross-pillar framework outlining priorities, objectives and actions.²¹ This differentiated approach has enabled the EU to pursue a multi-speed approach to the development of each relationship - which is technically linked to progress made or otherwise in the implementation of the Action Plans. Thus in the 2008 reporting round the Commission identified four countries as "good" ENP participating countries -- Ukraine, Moldova, Morocco and Israel -- and signalled its intention to further deepen its relations with these states. Evidence of this differentiated approach was reflected in the July 2008 decision to sign an Association Agreement with Ukraine.²² This is echoed in the words of Commissioner Benita Ferrero-Waldner on DG Relex website: "The ENP offers every neighbour country the chance to choose its own path. Those who want to advance relations through the ENP are already seeing their commitment matched with new opportunities."²³ Differentiation would also appear to allow the EU to lay greater stress on democratisation, human rights and rule of law in some cases such as Ukraine and Moldova, while placing more emphasis on the economic dimensions of its relationship in the case of others such as Azerbaijan and a number of countries in the Middle East.

(ii) Partnership and joint ownership:

"The EU does not seek to impose priorities or conditions on its partners". (EN Strategy Paper, May 2004)

Partnership and joint ownership are the other key principles meant to structure relations between the EU and its neighbours. Action Plans as the key institutional delivery mechanism for pinning down the substance and operationalising the ENP in individual countries are purportedly drawn up and negotiated by the Commission in partnership with the neighbourhood country. Moreover the implementation of the APs is supposedly based on joint ownership of both sides. Evidently the EU has been keen to foster a degree of domestic ownership on the part of the neighbours in terms of the commitments in the plan. But the principles of 'joint ownership and partnership' are somewhat undermined by the evident power asymmetry that exists between the Commission and the neighbouring

²⁰ See Strategy Paper at http://ec.europa.eu/world/enp/documents_en.htm accessed September 15, 2008.

²¹ See first position paper on ENP of March 2003. Available at: http://ec.europa.eu/world/enp/documents_en.htm

²² See <http://www.euractiv.com/en/enlargement/eu-offers-ukraine-partnership-membership/article-174425> (accessed September 24, 2008)

²³ See http://ec.europa.eu/world/enp/index_en.htm (accessed September 14, 2008)

countries. Moreover the vast majority of actions to be taken under the Action Plans falls into the hands of the neighbouring country with EU committing itself to only a fraction of the actions. Buscaneanu has observed that among the 80 goals and 294 actions laid out in EUMAP only 14 clearly refer to the EU, 40 envisage both parties' involvement on a relatively equal basis and the remainder fall into the hands of the Moldovan government.²⁴ Likewise progress in fulfilling the Action Plans is overwhelmingly measured in terms of the actions and commitment on the part of the partner country rather than contributions on the EU side.²⁵

3.2.2. Institutional Components of ENP

(i) Action Plans

Action Plans constitute the main instrument for progressing the relationship between the Commission and the partner country. These are agreed between the Commission on behalf of the Union and each participating country laying down a set of actions that each country, the EU, and the neighbouring country and the EU jointly are to undertake organised under a number of different dimensions of cooperation. In principle the High Representative for the Common Foreign and Security Policy also contributes to the APs in areas falling under the remit of CFSP.²⁶ Notwithstanding the particularised approach to each country, the Action Plans themselves are structured in a similar way. APs technically cover two broad areas: (i) actions which confirm or reinforce shared values, and (ii) actions which bring partner countries closer to the EU, and are based on a common set of overarching principles as discussed above.²⁷

The exact number of priority areas and the way in which these are ordered varies from country to country. So, in the case of Ukraine and Moldova the Action Plans outline a list of priorities but then organise the proposed actions under a series of chapters which themselves are further sub-divided into different sections. In the case of Ukraine for example, 'Enhanced co-operation in our common neighbourhood and regional security, in particular working towards a viable solution to the Transnistria conflict in Moldova, including addressing border issues' is highlighted as one of the fourteen priorities for actions but the body of the EU-Ukraine Action Plan is divided into six main chapters: (i) Political dialogue and reform; (ii) Economic and social reform and development; (iii) Trade, market and regulatory reform; (iv) Co-operation in justice and home affairs, (v) Transport, energy, information society and environment, (vi) People-to-people contacts. In the case of Moldova there are seven different chapters. The Action Plans for Armenia, Azerbaijan and Georgia are organised somewhat differently with actions enumerated under the chosen priorities for action. In terms of the place of conflict management in the list of priorities, in the EU-Armenian Action Plan "contribution to a peaceful solution of N-K conflict" is identified as priority area 7 out of 8, whereas in the case of the EU-Azerbaijan Action Plan, it is priority area 1 out of 10. In Georgia "promoting the peaceful

²⁴ Sergiu Buscaneanu, 'Moldova within ENP: First Assessment Report by the European Commission, January 2007, *Governing and Democracy in Moldova*, e-journal, issue 88, available at <http://www.e-democracy.md/en/comments/political/200701311/>

²⁵ Gwendolyn Sasse, "The European Neighbourhood Policy: Conditionality Revisited for the EU's Eastern Neighbours", 6(2) *EuropeAsia Studies* (2008), 295-316, 307.

²⁶ EN Strategy Paper, 2004, 4.

²⁷ EN Strategy Paper, 2004; Amichai Magen, "The Shadow of Enlargement: Can the European Neighbourhood Policy Achieve Compliance" (European Legal Studies Center, Columbia University, 2006).

resolution of internal conflicts” is priority area 6 out of 8. Of course the ordering of priorities does not necessarily correspond to the commitment on the part of either the EU or the participating country to addressing the frozen conflict situation but there is at least an implicit suggestion of prioritization here.²⁸ Within each priority area a series of actions or commitments are laid out, in large part to be undertaken by the participating country. As in the enlargement to the CEECs, the Commission issues regular progress reports. This benchmarking approach is supposed to allow the Commission to measure progress and deepen political and economic relations with partner countries accordingly.

The first set of Action Plans with Moldova, Ukraine, Israel, Jordan, Morocco, Palestinian Authority and Tunisia were launched in December 2004 for a period of between three and five years with the possibility of further extension. Action Plans for Armenia, Azerbaijan and Georgia came into force two years later in November 2006. (Russia declined to become part of the European Neighbourhood Policy and instead its relationship with the EU is structured through an individual strategic partnership based around four common spaces.)²⁹ Action Plans are political documents with no legal underpinning. The Partnership and Cooperation Agreements which had been signed with the Eastern neighbours in the late 1990s for a period of ten years (see Time-lines below) have constituted the main legal contractual agreement between the EU and its Eastern neighbours and progress in implementing Action Plans is monitored by the joint bodies set up under the PCAs -- Cooperation Council, Cooperation Committee and Parliamentary Cooperation Committee. The EU’s PCAs with the countries of the Southern Caucasus are due to expire this year begging the question of whether they will be renewed on a yearly basis or whether an enhanced association will be negotiated in their place.³⁰ The lack of legal underpinning has led some specialists to question their value and to argue that in the case of Moldova for example that the AP is simply a tool with additional financial support for facilitating the fulfilment of the PCA. Since Action Plans are not legally binding documents, they leave greater room for manoeuvre in terms of objectives and measures to be undertaken by the EU and its neighbours. Ukraine is now in the process of negotiating a new contractual agreement, which as the EU announced in July 2008 would be designated an Association Agreement. Meanwhile, though the period of operation for both EUMAP and EUUAP expired in February 2008, in both cases the Action Plans have been prolonged for an additional year. However in the case of Moldova, the option of an Association Agreement has been explicitly ruled out. For the time being the EUMAP will continue to be used as the basis of Moldova’s relationship with the EU.

As in the case of enlargement to the CEECs the EU employs TAIEX to help with institution-building as well as twinning mechanisms to facilitate capacity building and alignment. Also a number of ESDP missions have been set up in ENP countries such as the EUBAM monitoring the border between Ukraine and Moldova though these are Council-based and in certain cases such as the EU Police Mission in South Ossetia pre-dated the inception of the ENP.

(ii) Financing

In 2003 the Commission issued a document outlining the financial underpinning for the new neighbourhood policy. In the initial period from 2004 to 2006 the Commission was to draw on the existing financial framework and instruments (Phare, Tacis, Meda, Cards and

²⁸ For all Eastern neighbourhood Action Plans, see http://ec.europa.eu/world/enp/documents_en.htm accessed on July 30, 2008.

²⁹ See Hughes (2007) in Casarini and Musu for further discussion of the EU’s relationship with Russia.

³⁰ See, for example, discussion in Barbara Lippert, 2007, 183-184, about possibilities for a partial integration into the EU’s internal market.

Interreg) though would endeavour to improve coordination between the different instruments. From 2006 a new European Neighbourhood instrument, the ENPI, was introduced absorbing all the pre-existing instruments to manage technical and financial assistance to the countries involved into one streamlined instrument with the aim of better coordinating and managing funding allocations.³¹ Whereas under the 2000-2006 financial perspective, the EU allocated 8.4 million euros for ENP countries, this sum was raised to nearly 12 million euros for the 2007-2013 financial period though even this sum of money has been criticised as minimal given the number of countries that ENP encompasses and the level of poverty in the majority of countries.³² Funding is generally divided between budget-supporting allocations and technical initiatives. In terms of the national indicative programmes for each country, these divide the funding allocations into several priority areas which are then broken down further into sub-priority areas. It is striking that the different priority areas do not directly map on to onto the priority areas outlined in the Action Plan. Thus EUUAP includes six main priority areas enumerated above but the national indicative programme identifies three priority areas. Likewise the EUGAP lays out eight priority areas but the national indicative programme enumerates only 4. It is noteworthy that Georgia is the only country in the Eastern neighbourhood which has a separate ENPI allocation for the peaceful settlement of her internal conflicts - though admittedly it only amounts to 16 percent of the overall budget (19.4 million euros).³³

National indicative programmes³⁴

<u>Priority Area</u>	<u>Ukraine</u>	<u>Percentage</u>
Support for democratic development and good governance	148.2 million euros	30
Support for regulatory reform and administrative capacity building	148.2 million euros	30
Support for infrastructure development	197.6	40

<u>Priority Area</u>	<u>Moldova</u>	<u>Percentage</u>
Support for democratic development and good governance	52.3-73.4 million euros	25-35
Support for regulatory reform and administrative capacity building	31.5-41.9 million euros	15-20
Support for poverty reduction and economic growth	197.6	40-60

³¹ For further details see European Commission, (2003) "Paving the Way for a New Neighbourhood Instrument" at http://ec.europa.eu/comm/world/enp/pdf/com03_393_en.pdf. Magen (2006) has noted that ENPI funding has been modelled on the structural funds principles as multi-annual programming and co-financing.

³² See for example Alberto Chilosì, "The European Union and its neighbours: 'Everything but Institutions'", 925 *Munich Personal RePEc Archive Paper* (2006), 2-8, at <http://mpira.ub.uni-muenchen.de/925/>. Compare ENP allocation with 11.5 million allocated under Pre Accession Instrument for smaller number of countries with smaller populations.

³³ The National Indicative Programme for Azerbaijan does indicate that in the case of peaceful settlement of the NK conflict, specific assistance related to all aspects of conflict settlement and settlement consolidation would be provided. See http://ec.europa.eu/world/enp/documents_en.htm.

³⁴ See individual national indicative programmes available at http://ec.europa.eu/world/enp/documents_en.htm

<u>Priority Area</u>	<u>Georgia</u>	<u>Percentage</u>
Improvement of democratic development, rule of law and governance	31.5 millions euros	26
Economic development and ENP implementation	31.5 million euros	26
Poverty reduction and support to social reforms	38.4 million euros	32
Peaceful settlement of Georgia's internal conflicts	19.4 million euros	16

<u>Priority Area</u>	<u>Armenia</u>	<u>Percentage</u>
Support for democratic structures and good governance	29.52 million euros	30
Support for regulatory reform and administrative capacity building	29.52 million euros	30
Support for poverty reduction efforts	197.6	40

<u>Priority Area</u>	<u>Azerbaijan</u>	<u>Percentage</u>
Support for democratic development and good governance	30 million euros	
Support for socio-economic reform, fight against poverty and administrative capacity building	32 million euros	
Support for legislative and economic reforms in the transport, energy and environment sectors	30 million euros	

4. Tensions Within ENP

Several tensions have shaped and arguably hindered the operationalisation and efficacy of ENP. These include issues relating to policy fit, internal institutional constraints and the instrument of conditionality per se:

4.1 Policy Adaptation

A number of the ENP's shortcomings are in part attributable to the fact that as a policy instrument, ENP is an "adaptation of policy from elsewhere", an adjustment of the conditionality-based accession instrument designed for the CEECs and applied to the Eastern neighbourhood without appropriate adaptation of the instrument to the situation on the ground and also without the ultimate promise of membership.³⁵ The situation in the CEECs vis-à-vis the "return to Europe", the commitment to political and economic transition and the prospect of membership was fundamentally different to the situation in the countries of the Eastern neighbourhood.

³⁵ Buscaneanu (2006) has observed the mutual lack of knowledge on the part of the EU and the Moldovan government during the negotiation process over EUMAP - the EU about policy developments in Moldova and the Moldovan government about EU policies, programmes and standards.

4.2 Diversity of ENP Countries

The ENP brings together a hugely varied set of countries over a very wide geographical spread in the Middle East, North Africa, Eastern Europe and South Caucasus. These countries have diverse political and economic systems, widely differing interests in terms of their relations with the EU from Ukraine and Moldova which have clearly expressed their desire for full membership of the European Union to countries in the Middle East such as Jordan and Syria with far from democratic political systems for which the incentives for partnership through ENP stem on both sides largely from economic and security interests. ENP seeks to contain all these different countries under its overarching umbrella. Even though differentiation is one of the key principles of ENP, the sheer diversity among the countries which was acknowledged in the initial strategy documents raises questions about the potential efficacy of the policy instrument.³⁶

4.3 Internal Institutional Factors

The ENP at its conception emerged from two institutional and strategic roots. Though the early initiative to develop such a policy emerged within the institutions of the Council, the first comprehensive proposal of March 2003 was drawn up in the Commission. Its early inception in **DG Enlargement** was reflected in the replication of many elements of the CEECs enlargement approach and their intended application to the Eastern neighbourhood. As Emerson has noted: “Clearly the initial link to the enlargement staff in the Commission had an evident impact on the content and method of ENP”.³⁷ If conditionality and the procedural experience of CEEC enlargement had reinforced economic and political reform and brought economic and institutional alignment, surely it could do the same in the Eastern backyard. It was only after the appointment of the Barroso Commission that responsibility for ENP was shifted out of DG Enlargement to DG External Relations.

At the same time as the roots of this new policy were emerging in the Commission, work was also advancing in the **Council** in terms of developing the EU’s role as a foreign and security actor. In 2003 the European Security Strategy, drawn up in the offices of the EU’s High Representative for the Common Foreign and Security Policy, Javier Solana, was adopted by the Brussels European Council December 2003.³⁸ The ESS underlined *inter alia* ‘the building of security in the neighbourhood’ as one of the three strategic objectives of the EU. Among the key threats facing Europe, the European Security Strategy identified (i) regional conflicts as posing a threat to minorities, fundamental freedoms and human rights and (ii) state failure as contributing to civil conflict and bad governance. Thus from the outset there was the potential for tension between the Council-originated security objectives and the Commission-originated transformative economic and political value and institutional alignment ambitions.

The dual origins of the ENP reflect its nature as a potentially contradictory policy instrument -- modelled around a policy process which was designed to facilitate the alignment of potential CEE members with EU political and economic institutions and their ultimate accession to full union membership, but then transmogrified into an instrument

³⁶ For example the ‘Wider Europe - Neighbourhood’ strategy document acknowledged ‘Given these differing starting points and objectives it is clear that a new approach cannot be a one-size fits all policy’. Op. cit., 6.

³⁷ Michael Emerson, “European Neighbourhood Policy: Strategy or Placebo?”, 215 *CEPS Working Document* (2004).

³⁸ <http://europa.eu/scadplus/leg/en/lvb/r00004.htm> accessed July 26, 2008.

aimed at fostering stability and security in the broader neighbourhood and even at keeping neighbours at bay. Over time even the promise of ‘everything but institutions has itself’ been diluted.³⁹ This has led to inevitable tensions in the operationalisation of the ENP some of which are considered below.

4.4 *The Problematic of Conditionality*

Technically, the ENP is organised around a traditional conditionality-based structure - closer integration is conditioned upon clear progress in the implementation of tasks agreed between the Commission and the ENP country which are enumerated through the individual bilateral Action Plans. The process, as stated above, is modelled on aspects of the CEECs accession process with a benchmarking system as a method for assessing a country’s progress in carrying out the actions. However, there is arguably a central difficulty at the heart of ENP and its conditionality-based incentive structure. It may be that the lack of membership prospect on the table undermines from the outset the effective operation of conditionality - the potential rewards for meeting the conditions are simply not attractive enough. The conditionality trade-off is neither attractive enough nor credible enough.

The so-called “constructive ambiguity” of the ENP, which neither rules in nor rules out membership has been much discussed: debate has focused on whether the at best implicit possibility of membership provides strong enough incentives for the EU’s aspirant neighbours such as Ukraine and Moldova to comply with the conditionality or on the contrary whether the vague long-term possibility of membership fails to provide a strong enough incentive structure to induce compliance. In other words whether the trade-off of short-term costs for some long-term broader goals - in the areas of the internal market, free movement of goods, people, services, cooperation in JHA and in post-conflict management without any promise of membership - is enough to induce compliance. Evidence from the Moldovan case itself would suggest that politicians on the whole are not entirely convinced either of the short-term impact of the ENP or of its benefits. As V. Prohntschki stated in a radio interview in 2007 “conditionality light” is “not a sufficient motivational tool for implementation.”

Furthermore the priorities of the Commission and the Eastern neighbours - broadly speaking internal regulatory and governance reforms, democratization, conflict resolution in exchange for a stake in market internal reform, further integration and liberalisation - may simply not tally with the developmental requisites and political interests of the countries of the Eastern neighbourhood.⁴⁰ A comparison with the CEECs sheds light on this issue. Broadly speaking there was reasonably close alignment between the goals of transition and the goals of accession in the case of CEE. This is far from the case in all if but any of the participating ENP countries. Moreover both because of the lack of membership prospect in certain countries and also irrespective of the lack of membership prospect in others, different countries in the neighbourhood may have a range of different reasons for signing up to the policy which may only be tangentially linked to the priorities

³⁹ Prodi, 2004. In his Future of Europe of the Twenty Five Speech in September 2004, Romano Prodi characterised ENP as ‘everything but the institutions, which means very close economic and political integration’. (get reference).

⁴⁰ Heather Grabbe, *The EU’s Transformative Power: Europeanization through Conditionality in Central and Eastern Europe* (Palgrave, 2006).

and actions laid out in their individual APs. This is where the broader web of domestic, regional and international political, economic and geo-strategic interests comes into play.

Moreover in terms of the actual operationalisation of the conditionality, it is apparent that a number of the problems identified by Hughes, Sasse and Gordon, including power asymmetries, lack of clear benchmarks, lack of clear linkage between progress and rewards, politicised decision-making, shifting targets, etc. have been even more pronounced in the case of the Eastern neighbours.⁴¹ As Barbe and Johannson-Nogues have argued ENP Action Plans resemble long and chaotic “shopping lists” for reform, containing general priorities and a long list of “actions”.⁴² Despite the rhetoric of partnership and joint ownership, the power asymmetry and dominating position of the EU remains all too apparent. Action plans are replete with commitments for participating countries while EU obligations remain rather few and far between as in the example of Moldova cited above. Despite the trumpeting of the benchmarking approach as an improvement on the “traditional conditionality” and the stress placed on the importance of precision and predictability in the Wider Europe Strategy Paper, evidence from the Eastern neighbours casts doubt on its effective application in practice.⁴³ In the case of Ukraine, for example a report by the Stefan Batory Foundation cites the absence of benchmarking in terms of movement of people as lessening the incentives for Ukraine to “implement Schengen-like migration and border policy”.⁴⁴ Moreover, Popescu claimed recently there is no clear link between compliance by Moldovan officials and EU rewards.⁴⁵

Taken together the euphemistically dubbed ‘constructive ambiguity’ over the membership perspective, the institutional tensions within the European Union, the problems with the actual operationalisation of the conditionality all militate against compliance. This leads to the following conclusion with regard to the Union’s Eastern neighbourhood partners that where the conditionality structure and its operationalisation is weaker, the domestic context takes on an even greater significance and leads to a rather pessimistic prognosis in terms of the potential efficacy of ENP. In a situation of weak conditionality and overarching importance of the domestic context, compliance will only occur when the costs of such compliance are low - arguably an oxymoron for many aspects of the APs in a region characterised by authoritarian regimes of various hues and relatively low levels of economic development.

5. ENP and Political Issues

Before turning to our case studies, we include a brief introduction to the central thematic foci of this paper (i) democratization and human rights and (ii) conflict management.

⁴¹ James Hughes, Gwendolyn Sasse and Claire Gordon, *Europeanization and Regionalization in the EU’s Enlargement to Central and Eastern Europe: The Myth of Conditionality* (Palgrave, 2004).

⁴² Esther Barbe and Elisabeth Johannson-Nogues, “The EU as a modest ‘force for good’: The European Neighbourhood Policy”, 84(1) *International Affairs* (2008), 81-96.

⁴³ Commission, 2003, 16.

⁴⁴ Stefan Batory Foundation, “Enlarged EU and Ukraine,” 19.

⁴⁵ Nicu Popescu, “The EU and Transnistria”, CPS, International Policy Fellowships Programme, 2006, at <http://www.soros.org/initiatives/ipf>.

5.1 ENP, Democratization and Human Rights

The fostering of democratic norms based on human rights and the rule of law in the EU's neighbourhood lies at the heart of the values-driven discourse of the European Neighbourhood Policy and clearly differentiates the Action Plans from the earlier generations of PCAs. However though the Action Plans identify human rights and democracy as key priorities and all the individual indicative programmes contain budgetary allocations for democratic development and good governance, much of the associated actions are couched in rather vague insubstantial language such as measures on strengthening democratic institutions leaving considerable leeway in the hands of the participating country as to how they choose or not to operationalise these actions. Thus the introduction to the EU-Georgia Action Plan omits to include a direct reference to human rights, rule of law and good governance instead referring in rather ambiguous terms to "commitments to shared values and effective implementation of political, economic and institutional reforms".⁴⁶ Compliance is arguably discouraged both by the lack of specificity in the actions and the lack of sufficiently strong incentives. On the other hand the ambiguity and generality can work in the favour of domestic governments which are at best ambivalent about further democratisation. A 2006 ICG report on the South Caucasus noted that local observers and opposition politicians had suggested that the governments would only pay lip service to ENP commitments, without any intention to take concrete actions.⁴⁷ Recently NGO groups in Moldova criticised the 2008 Action Plan implementation report for its insufficient criticism of the government's record on corruption and human rights as well as for the lack of clear future recommendations.⁴⁸ Thus not only are long-term benefits not attractive enough but the structure of compliance is not clear either. Moreover, the desire for security and stability on the part of the EU at times appears to come into tension with the EU's proclaimed democratising priorities.

5.2 ENP and Conflict Management

Compared with the PCAs the Action Plans in the Eastern neighbourhood contain more direct statements on the shared responsibility and cooperation between the EU and neighbours in the area of conflict prevention and resolution and stress the importance of seeking viable solutions to the frozen conflict situations. However, though the EU has taken some steps to enhance its contribution to conflict management in the Eastern neighbourhood particularly as regards the Transnistria situation there are a number of factors which hamper the ENP framework as an effective instrument in the area of conflict management. Firstly, as acknowledged in a recent research report put out by DG External Relations "the EU is far from being a central actor in the conflict resolution processes".⁴⁹ It is not actively involved in peace-making negotiations with the exception of the TN conflict where EU enjoys observer status in the 5+2 talks and in fact as will be seen below

⁴⁶ For EUGAP, see http://ec.europa.eu/world/enp/documents_en.htm

⁴⁷ ICG, 2006. David Usupashvili, chairman of the Republican Party of Georgia, has suggested that ambitious implementation of the AP would pose too much of a political risk for President Saakashvili (Nation, 2003, 26).

⁴⁸ At the time of its inception two coalitions of NGOs were set up to monitor the AP implementation and governmental compliance with ENP goals. The ADEPT association and the EXPERT-GRUP Centre prepare regular assessments, monthly and quarterly reports assessing the implementation of the Action Plan. <http://www.e-democracy.md/en/> (accessed November 6, 2008).

⁴⁹ DG External Relations, 2007, 16.

has been reluctant to become more actively involved in this phase of conflict management.

Secondly, though conflict management is arguably critical to progress in a range of ENP priority areas, foreign policy including the EU involvement (however limited) in conflict management process remains a Council-based prerogative and thus is organised on an intergovernmental basis with all the concomitant problems of reaching consensus among 27 member states with diverse interests. As Popescu has stated: “ENP is a Commission-driven policy, and crisis management is the prerogative of the Council”.⁵⁰ We have already highlighted the institutional split in the origins of the ENP; this divide also extends to policy delivery. Key policy initiatives in the conflict management area have emanated from the Council. These include the travel ban on 17 political leaders from TN, the establishment of the post of EUSR for both Moldova and Georgia and the establishment of EUBAM. This division was also noted in an interview with an EU official in Moldova: “The Commission pursues economic reform, while the EUSR deals with political and conflict resolution issues.” The official highlighted how conflicts and inconsistencies emerge when the Commission refuses to allocate the funds needed for an EUSR initiative.⁵¹

Thirdly, these dual institutional origins may also be reflected in what appears to be two different (though not necessarily irreconcilable) principles shaping approaches to conflict management in the EU. While the High Representative with his responsibility for CFSP, his interest in promoting the Union’s security objectives and the ambition to enhance the EU’s role as an external actor including in conflict situations particularly on its borders has adopted a more proactive role to conflict management and supported certain policies directly targeted at addressing the conflict situations, the Commission seems to favour the provision of technical and financial assistance in support of policies that will achieve economic and political reform (democratization, rule of law, human and minority rights protection, etc) in the metropolitan and thus consequently increase the prospects for conflict resolution as a result of the pull factor of economic prosperity and political stability.

Fourthly, an additional factor hampering conflict management through the ENP and by the Union more broadly relates to EU funding mechanisms - which suffer from short-termism, a lack of flexibility, are restricted by the slowness of the bureaucratic wheel, and are ill-suited to many crisis management activities. Not only is Georgia the only country in the Eastern neighbourhood which has a separate budgetary allocation under its indicative programme for internal conflict resolution (SO has just shown how little this can do in time of crisis), the problem is that the funding mechanisms are “complex, technical, slow to deliver” all of which militates against the capacity for rapid reaction which is often called for in conflict situations.⁵² In terms of funding on conflict management projects, to date the EU has invested more resources in the post-violent conflict rebuilding aspects (local infrastructure, public services and social services) rather than on more traditional conflict resolution domains (including demobilisation, disarmament, rule of

⁵⁰ Nicu Popescu, “The EU in Moldova - Settling Conflict in the Neighbourhood”, European Union Institute for Security Studies, Occasional Paper 60, Paris, October 2005, at <http://www.iss.europa.eu/uploads/media/occ60.pdf>, 10.

⁵¹ Interview with EU official, July 2008

⁵² Nicu Popescu, “The EU in Moldova - Settling Conflict in the Neighbourhood”, European Union Institute for Security Studies, Occasional Paper 60, Paris, October 2005, at <http://www.iss.europa.eu/uploads/media/occ60.pdf>, 12. See ENPI, Georgia, National Indicative Programme, 2007-2013.

law, human rights) perhaps reflecting the lessons learned and experience gained in the Western Balkans and given its reluctance to lend legitimacy to the breakaway regions.⁵³

Last but not least in its actions with its Eastern neighbours the Council, Commission and other union institutions including the European Parliament are faced with the very basic dilemma of how to deal with the breakaway regions. Among the four frozen conflicts in the post-Soviet region -- notwithstanding any criticisms of insufficient political will on the part of the EU let alone of the available technical and financial instruments - the EU is constrained by a fundamental dilemma encapsulated in the following way by DG Relex ‘how to promote and support human rights in areas whose legal and political status is unclear’ without legitimising their claims as independent actors.⁵⁴ This dilemma has undermined the meeting of the objectives of a stable neighbourhood in the short to medium term at the very least. In the meantime as Popescu has noted the gap between the metropolitan states and frozen conflict regions in terms of legislation, standards, values and degrees of reform is likely to increase at best complicating at worst excluding the possibility of reintegrating these countries at some point into the overarching state in which they are located.⁵⁵ The renewed outbreak of hostilities in South Ossetia and beyond in August has only served to underline and further entrench this reality. Nonetheless despite the very real dilemma of how the Union as an external political actor should “do business” with secessionist regions, Emerson et al have suggested that the ENP has suffered a dearth of ‘creative thinking’ in terms of developing ways to include these regions in some areas of ENP activity such in education, culture, health sector reform, rural development, etc.⁵⁶

6. ENP: The Perspective From the Eastern Neighbourhood

6.1 Ukraine

“What Ukraine wishes to avoid is being saddled with an agreement which rather than helping it integrate with the Union in a way which can lead to accession, leads to it being held for ever in an ante-room outside the Union”. (Alan Mayhew)

Time Line: Ukraine

1994	Signing of PCA
1998	Ukraine Partnership and Cooperation Agreement entered into force following ratification.
1999	Common Strategy on Ukraine
December 2004	Orange Revolution
February 2005	New government comes to power
February 2005 -	EU Action Plan plus 10-point list of reform priorities signed (for an initial three years).

⁵³ See Claire Gordon, Gwendolyn Sasse and Sofia Sebastian (2008), “EU Policies and the Stabilisation Process”, MIRICO Framework VI report; see also ICG, 2006. <http://www.eurac.edu/Org/Minorities/MIRICO/Mirico+project+results.htm>

⁵⁴ DG Report, 2007, 22.

⁵⁵ Nicu Popescu, “The EU and South Caucasus: Learning lessons from Moldova and Ukraine”, CPS, International Policy Fellowships Programme, 2006, at

<http://www.policy.hu/npopescu/publications/caucasus.pdf>.

⁵⁶ Michael Emerson, Gergana Noutcheva and Nicu Popescu, *European Neighbourhood Policy Two Years on: Time indeed for an “ENP plus”* (Centre for European Policy Studies, Brussels, 2007).

November 2005	Establishment of EUBAM (European Union Border Assistance Mission to Moldova and Ukraine (currently extended to November 2009)
December 2005	EU-Ukraine summit - Ukraine granted market economy status.
March 2006	Parliamentary Elections
March 2007	Commencement of negotiations on EU-Ukraine new enhanced agreement.
February 2008	Negotiations on comprehensive free trade agreement.

Since achieving independence in December 1991 Ukraine's relationship with the EU can at best be characterised as "fitful" and "patchy" (Sasse, 2008, 306).⁵⁷ During this period Ukrainian foreign policy has oscillated between more pro-Russian and pro-Western orientations. Despite a number of waverings and numerous disappointments, Ukraine made clear its desire and interest in obtaining the clear promise of a membership perspective from the European Union as early as 1993 in the foreign policy document adopted by the Verkhovna Rada, but such overtures have been repeatedly rebuffed by the EU.⁵⁸ Meanwhile outwardly at least Russia -- Ukraine's relation with which remains the other key vector in the country's external calculations -- has not opposed the possibility of EU membership for Ukraine. At the same time it has taken steps to ensure its continuing influence through its energy policy and through the acquisition of stakes in Ukrainian businesses.⁵⁹

The EU itself has displayed a considerable ambivalence in its position on Ukraine giving a series of mixed messages as to the country's future prospects in Europe. The shift from its special status in the short-lived New Neighbours Initiative to its position as a neighbour on a par with other countries in the European Neighbourhood Policy in March 2003 meant that Ukraine found itself clubbed together with the broader group of ENP states in Northern Africa and the Middle East many of which have never entertained membership aspirations. Thus from the moment of its launching Ukrainian elites were somewhat sceptical about the new policy instrument. This was compounded by a noticeable downgrading in terms of possibilities for membership open to European countries in line with Article 49 alluded to in the March 2003 Neighbourhood Paper and the May 2004 European Neighbourhood Policy paper. Notwithstanding the EU's attempt to draw a clear line between the ENP and any entertainment of membership prospects, there remains an implicit lack of clarity in the Commission's position vis-à-vis Ukraine.⁶⁰

Under President Kuchma's leadership statements about the EU were full of rhetorical flourish concerning Ukraine's European path, but it was not really until after the Orange Revolution that such eloquence began to be matched by more specific institutional commitments and specific policy responses. Kuchma's rhetorical declarations of commitment to EU integration were replaced by a more proactive approach to the adoption and implementation of concrete policy "targeted at EU membership".⁶¹ From the start of his presidency European integration was identified by the Yushchenko leadership

⁵⁷ Gwendolyn Sasse, "The European Neighbourhood Policy: Conditionality Revisited for the EU's Eastern Neighbours", 6(2) *EuropeAsia Studies* (2008), 295-316, 306.

⁵⁸ See <http://zakon.rada.gov.ua/cgi-bin/laws/main.cgi?nreg+3360-12> (accessed on September 16, 2008)

⁵⁹ Gwendolyn Sasse, "The European Neighbourhood Policy: Conditionality Revisited for the EU's Eastern Neighbours", 6(2) *EuropeAsia Studies* (2008), 295-316.

⁶⁰ Batory Foundation Report, 2005, 17. For Batory Foundation reports, see <http://www.batory.org.pl/english/intl/pub.htm> (accessed November 6, 2008)

⁶¹ Batory Foundation Report, 2005, 24.

as the underpinning of Ukraine's foreign policy and domestic reform process. Moreover, notwithstanding the underlying dissatisfaction with the EU's continuing failure to offer Ukraine a clear membership perspective even in the very long run, expectations were nonetheless relatively high at the time of signing of AP in February 2005. The original Action Plan had been negotiated by the Commission and the leadership of Leonid Kuchma. At this point the political clauses and the stress on human rights and media freedom had proven to be an obstacle.⁶² With the increased momentum and interest in Ukraine following the Orange Revolution and the accession to power of President Yushchenko and reinforced statement of Ukraine's European choice, agreement was quickly reached on the political clauses and other outstanding issues. The AP was agreed and supplemented with a Ten Point letter prepared by High Representative Javier Solana and External Relations Commission Benita Ferrero-Waldner that attached additional measures underlying the Union's willingness to respond in line with Ukraine's implementation of the plan, and also making provision for additional EIB financial assistance to Ukraine up to 250 million euro.⁶³ Inter alia the Ten Point Letter reiterated EU support for Ukraine's accession to WTO; it also invited Ukraine for the first time to associate with EU declarations on foreign and security policy issues.

In terms of democratic change and human and minority rights, the EU-Ukraine Action Plan building on the democracy-fostering clauses laid out in reasonable detail in the country's PCA laid out the following priority areas:

- (i) the further strengthening of the stability and effectiveness of institutions guaranteeing democracy and the rules of law, which as Sasse⁶⁴ pointed out is 'a variation on the first Copenhagen criterion for accession);
- (ii) ensuring democratic elections, media freedom and freedom of expression;
- (iii) ensuring respect for rights of persons belonging to national minorities (based on legislation brought in line with "European standards" and cooperation between government authorities and representatives of national minorities.)

However in terms of specific actions the EUUAP contained only limited details on benchmarks, timing and follow-up arrangements and in the realm of political issues, as Sasse notes, the steps outlined are rather broad and focused on "improving" methods of consultation and cooperation.⁶⁵

Both the EUUAP and the Ten Point letter suffer from similar problems of many of the EU's conditionality-based documents - a lack of specificity in terms of demands, the absence of a clear timetable for their implementation, not to mention the fact the actions outlined were non-binding. Though the Ten Point Letter in some ways holds out the possibility of enhancing Ukraine's relations with the EU, it was criticised for omitting to add much that was substantively new to Ukraine's Action Plan and the concessions were seen in some quarters in the EU and in Ukraine as incommensurate with the magnitude of the Orange Revolution. Nonetheless the Ukrainian government responded to the AP and Ten Point Letter by drawing up a Roadmap outlining 300 actions to be taken in key areas of the EU-Ukraine relation that could be interpreted as an attempt to specify more

⁶² For EU Ukraine Action Plan (EUUAP) see ec.europa.eu/world/enp/pdf/action_plans/ukraine_enp_ap_final_en.pdf, accessed on July 23, 2008

⁶³ "Will the Orange Revolution Bear Fruit?", Stefan Batory Foundation report, 2004, 18.

⁶⁴ Gwendolyn Sasse, "The European Neighbourhood Policy: Conditionality Revisited for the EU's Eastern Neighbours", 6(2) *EuropeAsia Studies* (2008), 295-316, 307.

⁶⁵ Gwendolyn Sasse, "The European Neighbourhood Policy: Conditionality Revisited for the EU's Eastern Neighbours", 6(2) *EuropeAsia Studies* (2008), 295-316.

concrete measures and additional commitments to reinforce the EU-Ukrainian relationship.⁶⁶

From 2006 to the new elections in Ukraine in 2007 policy-making institutions and foreign policy in particular were riven by the divide between the opposing orientations of Prime Minister Yanukovych and President Yushchenko notwithstanding the president's supposed control of foreign policy post the 2006 constitutional reform. These political struggles inevitably slowed progress in the implementation of the Action Plan. Nonetheless some progress was acknowledged in the December 2006 Commission Report. The cooperation between Ukraine and Moldova particularly through their joint monitoring of the TN border through EUBAM was noted as a significant step towards conflict resolution.⁶⁷

Disappointment notwithstanding both at the EU's refusal to open up a European perspective to the country as well as at the EU's anti-dumping measures against its chemical and steel products, Ukraine has been left with little option but to temper its criticism and to attempt to fulfil its commitments and put into practice European integration policies in a range of different domains in order to pursue its chosen European path reflecting a pragmatic realisation among certain government officials and civil servants that this is the only way is to convince the EU of the validity of their country's case for prospective EU membership.⁶⁸ Thus the government has on the whole been acting pragmatically seeking to prove its seriousness by fulfilling the EUUAP and choosing to delay for the time being any formal membership application. Moreover as Sasse has suggested through a process of 'procedural entrapment' and mutual socialisation, the EU may well in the long run find it virtually impossible to exclude Ukraine if Ukraine continues the implementation of the Action Plan which has been renewed for another year and the pending enhanced Association Agreement. It is worth noting in this regard that despite Ukraine's evident dissatisfaction with the EU, officials in Brussels both in the Commission and the Council admit off the record at least that the Action Plan has "de facto acknowledged Ukraine's membership prospect".⁶⁹ In July of this year Ukraine and EU reached agreement on the preparation of a new Association Agreement. Though much of the substance of the new agreement has yet to be fleshed out, the decision was significant in its evident commitment to further deepen Ukraine's integratory path. Once again European foreign ministers insisted that while the new agreement would go beyond the current partnership accord it would stop short of offering the country an EU membership perspective. Nonetheless with each enhancement of the country's agreement with the EU and with the continuation in the procedural habituation and institutional and value alignment processes, it is hard to exclude the fact that this new generation agreement will move Ukraine a step closer to membership.

Ukraine and conflict management: Though Ukraine does not have a frozen conflict situation on its immediate territory and for the time being at least has largely contained the conflict in the Crimean peninsula, potential for further unrest in the region remains. (Sasse, 2007) This conflict potential revolves around the Crimean Tatar issue as well as potential Russian designs on Sevastopol on the Crimean peninsula but for the time being does not figure at all in the EU's policy towards Ukraine. In addition Ukraine shares a joint border with Moldova which spans the Transnistrian region. Interestingly enough under the priority of "strengthening cooperation on regional and international issues, conflict

⁶⁶ "Actions on EU-Ukraine Action Plan implementation in 2005", April 2005.

⁶⁷ European Commission, 2006, 6.

⁶⁸ Gwendolyn Sasse, "The European Neighbourhood Policy: Conditionality Revisited for the EU's Eastern Neighbours", 6(2) *EuropeAsia Studies* (2008), 295-316, 306.

⁶⁹ *Ibid*, 308.

prevention and crisis management”, apart from continuing its efforts as a mediator in the TN conflict settlement process and developing cooperation with Moldova on border questions, the actions enumerated focus mainly on possibilities for Ukrainian involvement in and contribution to EU crisis management operations and broad recommendations for cooperation in CFSP. Meanwhile when it comes to the EU’s actions vis-à-vis the conflict in TN the EU commits itself only to “supporting the OSCE and mediators”, including Ukraine in the conflict resolution process.”⁷⁰

One of Yushchenko’s first foreign policy initiatives after assuming power and agreeing to the country’s Action Plan was to put forward in April 2005 a comprehensive plan for the solution of the conflict in TN, thus signalling Ukraine’s new engagement in the conflict resolution process a move which was welcomed by the EU.⁷¹ Furthermore in December 2005, the EUBAM mission was launched along the 450 kilometre Transnistrian part of the Ukrainian-Moldovan border to assist in countering smuggling and other criminal activities. On the other hand Ukraine did not back up the EU and US in their imposition of a travel ban on officials from Tiraspol. Nonetheless Ukraine’s progress report published earlier this year noted Ukraine’s positive contribution to the EUBAM as well as a significant increase in cooperation on CFSP matters.⁷² Evidently Ukraine has moved ahead more effectively with actions relating to the security and foreign policy dimensions and contributions to the conflict resolution process in TN and negotiations over a visa facilitation agreement than in bringing about domestic change. Contributing to actions which shape Ukraine’s external relations has been easier than advancing and securing the political and economic dimensions of reform at home.⁷³

6.2 Moldova

“There seems to be a profound lack of understanding in Moldova of what the EU is and what EU integration is about. Most major domestic players see it as a geopolitical and foreign policy priority, but do not necessarily see the EU as community of values”.⁷⁴

Time Line: Moldova

1998	EU-Moldova Partnership and Cooperation Agreement entered into force.
February 2003	EU travel ban on 17 TN leaders (Council action)
2004	Opening of European Commission Delegation in Chishinau
February 2005 -	EU Action Plan signed (for an initial three years).

⁷⁰ EUUAP, 9-11.

⁷¹ Main elements of the plan were: (i) confirmation of territorial integrity and sovereignty of Moldova; (ii) a special legal status for TN within Moldova; (iii) right to self determination for TN only in the event that Moldova loses its independence and sovereignty; (iv) a proposal for the creation of a common space incorporating legal, economic, social, customs and humanitarian issues; (v) early free and fair elections to supreme soviet in TN monitored by international observers. See Oleh Protsyk, “Moldova’s Dilemmas in Democratizing Transnistria”, at <http://www.ecmi.de>.

⁷² Commission, 2008a, 1 and 6).

⁷³ Between ‘Contentment and Disillusionment’ points to slow progress in the sphere of the economy, limited progress in reform of the judiciary and slow movement in WTO negotiations.

⁷⁴ Nicu Popescu, “The EU in Moldova - Settling Conflict in the Neighbourhood”, European Union Institute for Security Studies, Occasional Paper 60, Paris, October 2005, at <http://www.iss.europa.eu/uploads/media/occ60.pdf>.

March 2005 -	Establishment of EU Special Representative for Moldova (N.B. Under auspices of Council). Adriaan Jacobovits de Szeged appointed to position.
November 2005	Establishment of EUBAM (European Union Border Assistance Mission to Moldova and Ukraine (current extended to November 2009)
2006	Ukraine was awarded additional EU financial support under the Governance Facility (€22 million).
March 2007	Appointment of Kálmán Mizsei as EUSR
April 2007	Opening of visa facilitation centre in Chishinau
February 2008	EU-Moldova agreement to keep AP in place.

Moldova, as in the case of Ukraine, has oscillated between a more pro-Russian and a pro-European orientation in its foreign policy since obtaining independence in 1991. Moldova first declared European integration as its primary foreign policy objective in 1999 though this period was short-lived since the Sturza coalition government did not last and the priority of European integration quickly slipped from the top of the political agenda.⁷⁵ The establishment of the National Commission for European Integration by President Voronin in November 2002 marked a new departure in Moldova's positioning of European integration in its foreign policy agenda. The accession to power of a new coalition government in 2005 further reinforced this pro-European foreign policy orientation. The new government came to power with the implementation of the EUMAP and the country's integration into the EU as its top priority.⁷⁶

Since the start of the ENP and particularly the commencement of the Action Plan, Moldova's relationship with the EU has oscillated between disappointment and hope. There was some initial discontent in Moldova over its inclusion in the ENP as a result of the fact that this signalled Moldova's non-inclusion in the Stabilisation and Association process with the accompanying long-term prospect of membership. As part of the Stability Pact Moldova had hoped to be included in the group of South East European countries that fall under the SAP. Nonetheless there was also some initial hopefulness among the country's governing circles about what the EUMAP might be able to deliver in terms of increased market access, a visa-free travel regime and increased direct EU participation in the conflict settlement process in TN. Broadly speaking it was hoped that the ENP and the Action Plan would form "a bridge towards the following stage - association and integration into the EU".⁷⁷ Romania's pending accession to the EU also brought hope for increased support for Moldovan integration into the EU, which was however dashed. Romania, which at times suffers from a degree of marginalisation among the new member states, has been grappling *inter alia* with serious internal corruption problems and therefore not particularly focussed on its relationship or the position of Moldova. Furthermore upon the accession of Romania to the EU, the existing Moldovan-Romanian free trade agreement

⁷⁵ Sergiu Buscaneanu, *How far is the European Neighbourhood Policy a substantial offer for Moldova* (Leeds, 2006), 6.

⁷⁶ Nicu Popescu, "The EU in Moldova - Settling Conflict in the Neighbourhood", European Union Institute for Security Studies, Occasional Paper 60, Paris, October 2005, at <http://www.iss.europa.eu/uploads/media/occ60.pdf>.

⁷⁷ Gheorghiu, 2005, cited in Buscaneanu, *op. cit.*, note 75, 17.

had to be cancelled.⁷⁸ This having been said the accession of Romania has brought heightened attention to the TN conflict.⁷⁹

As far as political issues are concerned EUMAP attaches more significance to political change in Moldova than does the PCA. More attention is paid to democracy and human rights as well as additional areas of dialogue and potential cooperation including the settlement of the TN conflict and border management. Moreover there is an attempt to peg progress in political change to future cooperation in other dimensions. Even so two points are worth making about the actual negotiations process. Firstly, political issues did not even feature in the first round of negotiations in early 2004. Secondly, with regard to conflict resolution, it was in fact the Moldovan side which insisted on including a separate chapter on Transnistria in the Action Plan in February 2006 in Brussels.⁸⁰ (Buscaneanu, 2006, 19-20)⁸¹ Nonetheless in its final incarnation, seven out of the ten priority areas in the Action Plan relate to the political dimension of cooperation and there are a considerable number of actions ranging from the general to the more specific enumerated under the priority of political dialogue and reform. (Buscaneanu, 2006, 33-34). These include ensuring the correct functioning of parliament and the conduct of parliamentary elections in accordance with proposals made by the Council of Europe and recommendations of OSCE/ODHIR; implementing actions foreseen in Moldova's National Human Rights Plan for 2004-08; ensuring effective protection of person belonging to national minorities, effective execution of the judgements of the European Court of Human Rights and a whole series of other actions relating to the strengthening of human rights and standards of democratic practice in the country.⁸²

Even though the EUMAP has raised the prominence of the issues of democratisation and human rights in Moldova, the implementation of many of the actions has proved more problematic.⁸³ Though Moldova's record in cooperating with the EU in the Transnistrian conflict settlement process as well as in cooperating with EUBAM was viewed positively by the Commission in its April 2008 progress report on AP Implementation, and Moldova has a good record on subscribing to EU declarations on international issues and has supported EU positions in the UN, OSCE and Council of Europe, Moldova was subject to criticism in many areas relating to the rule of law and democratic change such as insufficient protection of human rights and fundamental freedoms, media freedom and judicial reform.⁸⁴ So for example, the draft law forbidding persons with dual nationality to hold public office was sent for screening to the Council of Europe. Limitations on media freedom in the country were underlined in an interview with the Editor of the Journal de Chishinau.⁸⁵

On the whole EU conditionality in the case of Moldova has remained rather vague and this together with increasingly negative assessments of EUMAP inside the country has slowed implementation of elements of the Action Plan. In addition to the long list of

⁷⁸ Michael Emerson, Gergana Noutcheva and Nicu Popescu, *European Neighbourhood Policy Two Years on: Time indeed for an "ENP plus"* (Centre for European Policy Studies, Brussels, 2007).

⁷⁹ Interview with Nicolae Negru, editor of Journal de Chishinau, July 2008.

⁸⁰ Sergiu Buscaneanu, How far is the European Neighbourhood Policy a substantial offer for Moldova (Leeds, 2006), 19-20.

⁸¹ For more details of four rounds of negotiations over Action Plan prior to its launch in December 2004 and signing in February 2005, see Buscaneanu (2006) 17-21.

⁸² For EUMAP see http://ec.europa.eu/world/enp/pdf/action_plans/moldova_enp_ap_final_en.pdf (accessed August 7, 2008)

⁸³ Interview with Victor Dragutan, 2008.

⁸⁴ There has been more hesitation in aligning itself with EU positions on Belarus, Russia and Azerbaijan.

⁸⁵ Interview with Nicolae Negru, July 2008.

actions on the Moldovan side, there is lack of specificity in two key areas of particular concern to the country's ruling elites -- how the EU proposes to participate in the resolution of the TN conflict and in whether the asymmetric trade preferences will include textile or agricultural products that are of primary importance to Moldova but also very sensitive to the EU -- underlying the absence of substantive reciprocity in the Action Plan process. As an article in *The Times* in April of this year opined -- the EU's relationship with Moldova was more about requests than conditions. (April 16, 2008). As Igor Botan wrote in February 2008 'The perception of the EUMAP as an unfinished, alternative strategy for the integration of neighbours into the EU has strongly influenced the perceptions of the implementation level'.⁸⁶

Dissatisfaction on the part of the Moldovan government with the ENP process may also explain the fact that Moldova has been increasingly favouring bilateral or regional partnerships and developing ties with specific EU member states such as with Austria and Germany on cross-border crime, immigration and human trafficking, etc. not to mention the highly regarded productive cooperation with the US and NATO, under the auspices of the Special State Partnership Programme with North Carolina, a programme of military cooperation and aid.⁸⁷ The embassies of individual member states tend to be better staffed, better equipped and larger than the office of the Commission delegation in the country.⁸⁸ Cooperation with individual member states has in fact facilitated Action Plan implementation in certain areas. Another complicating factor is that politics in Moldova in recent months have become increasingly inward-looking shaped by the prospect of 2009 election: "the goal of keeping power is more important than the objective of efficiently approaching Moldova to EU standards".⁸⁹

To sum up, the lack of membership prospect plus, the seemingly endless list of often ill-specified demands, the limited funds on offer mean that both the short-term and long-term benefits of the ENP have not been that apparent. (One only need compare the level of EU funds for Moldova with the level of US funding)⁹⁰ Basically the long-term benefits of the ENP are regarded as insufficient by governmental officials and a similar message appears to be increasingly emanating from the NGO community as well.

Conflict management and Moldova Though EUMAP proclaims the importance of shared responsibility and cooperation between the EU and Moldova in the areas of conflict prevention and resolution and in seeking a viable solution to the Transnistrian conflict, the substance of the Action Plan focuses overwhelmingly on domestic politics with little emphasis on the frozen conflict. This underlines the fact the Action Plans were negotiated between the Commission and the neighbouring state, albeit with some input from the High Representative and also perhaps the fact that it was the Moldovan negotiating team that insisted on the inclusion of a separate chapter on the TN conflict situation in the AP and not the Commission.

It is noteworthy that there is no special department dealing with the Transnistrian conflict in the Ministry of Foreign Affairs and European Integration (MFAEI), which is the main ministry with responsibility for the coordination and direction of Action Plan implementation in Moldova. Transnistria and the conflict situation there are the responsibility of the Ministry of Reintegration which though considered one of the most

⁸⁶ Igor Botan, February 29, 2008.

⁸⁷ Interview with Victor Dragutan, 2008, Senior Advisor at the Ministry of Reintegration.

⁸⁸ Interview with Nicolae Negru, Editor of Journal de Chishinau, July 2008.

⁸⁹ Ibid.

⁹⁰ See for example the \$24.7 million contribution to Moldova under the Millennium Challenge Corporation to support anti-corruption initiatives under the Moldovan government's anti-corruption strategy which commenced in December 2004, <http://www.mcc.gov/>.

important ministries in Moldova with the highest level of allocated budgetary funding had no input into Action Plan preparation. Though the Deputy Minister of Reintegration Ion Stavila has regular meetings with the representatives of the Commission delegation and the EUSR to Moldova, these meetings do not concentrate on the APs. As the Deputy Minister stated in an interview: "The APs are an agreement between Moldova and the EU. The TN question is excluded based on the assumption that it is an issue to be solved primarily by Moldova, Russia and TN. The EU's role is limited mainly to that of observer".⁹¹

The EU has proved itself somewhat reluctant to take a more active role in the conflict resolution process and its main endeavours in this regard have emanated from the Council rather than the Commission, such as the February 2003 travel ban on 17 TN leaders and the establishment in March 2005 of the position of EUSR for Moldova with special responsibility for conflict resolution. (Given the lack of clear mandate associated with this position, experience to date in Moldova suggests that the efficacy of this position largely depends on the persona of the incumbent⁹²). Furthermore in December 2005 the EUBAM border assistance mission was launched employing 100 personnel to supervise the joint Ukrainian-Moldovan border, particularly on the territory spanning the TN region.⁹³ The fact that Russia continues to have troops stationed in TN and will have to play a pivotal role in the resolution of the conflicts in the post-Soviet space may account in part for the EU's reluctance to give such issues more prominence. Moldova has indicated its desire for increased direct participation in the conflict settlement process on the part of the EU not simply as an observer in the 5+2 talks format but on an equal footing and to move beyond support simply for political dialogue and demarches of support for OSCE, as well as placing pressure on the EU for international peacekeeping forces to replace Russia's 14th Army.⁹⁴ The government of Moldova has also expressed its discontent at the unwillingness of the EU to take a more forthright stand vis-à-vis Russia on the question of TN. The EU has to balance this against critical economic, energy and security interests in its relations with Russia. Deputy Ministry of Reintegration Ion Stavila suggests this also relates to the broader EU problem in reaching a common position among member states and thus developing a common defence and security policy.⁹⁵ In terms of the EU's activities in TN itself these are largely limited to the largely behind-the-scenes diplomatic efforts of the EUSR. So, for example, the current EUSR Kálmán Mizsei, whose work is generally viewed positively by governing elites in Moldova, holds regular meetings with parliamentarians and governing elites both in Chisinau but less so in Tiraspol. (Interview with officials in Chisinau and Tiraspol, June and July 2008) Moreover, budget funding for conflict management related activities, lies squarely in the hands of the Commission. Until recently no funding had been directed at reconstruction or the fostering of civil society

⁹¹ Interview, Chisinau, July 2008.

⁹² EU Council, 27 February 2003: Moldova: Council adopts restrictive measures against Transnistrian leadership, Brussels 66709/03. According to O.Nantoi (2007) thus far there is no evidence that the ban has altered TN leadership behaviour. The EUSR's mandate includes (i) strengthening the EU contribution to the resolution of conflict in TN; (ii) assist in preparation, as appropriate of EU contributions to the implementation of an eventual conflict settlement and (iii) follow closely political developments in Moldova, including the TN region by developing and maintaining close contacts with the Government of Moldova and other domestic actors.

⁹³ For more details, see <http://www.eubam.org/> accessed August 2, 2008. The Mission has worked to reduce smuggling across the border, reform customs services and to induce TN businesses to formally register with the Moldovan authorities.

⁹⁴ Interview with Ion Stavila, Vice-Minister of Reintegration, Interview July 2008.

⁹⁵ Interview with Stavila, July 2008.

and the improvement of human rights in the breakaway region and even now funding levels remains sporadic and insufficient

Despite the evident frustrations with the ENP, governing elites in Moldova are keen to extend their engagement with the EU. Some limited positive progress has indeed been made particularly in the area of conflict management with the work of the EUSR and of EUBAM. It is more than likely that in the wake of the 2009 elections Moldova will seek to continue to develop its relationship with the EU and will continue on the path of the implementation of the country's Action Plan (however patchy this may be) in the hope that it too like its neighbour Ukraine will one day be offered the prospect of an association agreement and beyond.

The South Caucasus⁹⁶

The Context of the EU, ENP and the South Caucasus: Until the 2003 Rose revolution and the decision to include the South Caucasus in the ENP in 2004, the EU had played a rather passive role in Georgia, Armenia and Azerbaijan.⁹⁷ At the same time the extension of the ENP to the Southern Caucasus marked an interesting departure in EU external policy - after all none of these so-called neighbouring countries shared contiguous borders with EU member states. At the same time it is worth stressing at the outset of this discussion that given the complex web of regional and broader international relations which shape the economics, politics and frozen conflict situations in the South Caucasus the EU has far less potential influence in the region. Further given the lack of serious membership prospect in the case of Georgia (i.e. even more remote than in the cases of Ukraine and Moldova) and the lack of serious interest in membership in the cases of Azerbaijan and Armenia a rather different set of dynamics is at work in terms of how these states view their relations with the EU and how the EU and the ENP are used politically and translated into policy actions in each of these countries. It is clear that the push effect of conditionality is even more limited in such contexts overridden by the complexity of the domestic context in each case and the broader interaction of each country with the whole set of regional and international players of which the EU may be but one axis. Thus it is suggested here that compliance with the actions laid out in the respective Action Plans is only likely when the cost of compliance is small, i.e. compliance lines up with immediate domestic interests or the economic costs of compliance are not great.

Preparation of Action Plan: Only limited numbers of government officials were involved in the preparation of the Action Plans in all three countries of the South Caucasus. Even though civil society platforms were set up to "have positive impact" on the consultation processes, in the event they were only involved in a limited way in the negotiation process.⁹⁸ Secondly, despite the EU's declared objective of fostering regional cooperation, there was virtually no cooperation among the three states of the South Caucasus in terms of information exchange and coordination during the preparation of the Action Plans. Rather, as in the case of the CEECs, the process was marked by competition - with each country hoping to cross the AP finishing line first. Action Plans span five years compared with three in the case of Ukraine and Moldova. In general all three Action Plans are couched in rather vague language. As in the case of Ukraine and Moldova joint bodies

⁹⁶ This section draws on the work of Benedikt Harzl (2008) 'The Complexity of New Realities: The EU and the South Caucasus', MIRICO EU Framework VI WP5. Additional detail on many of the issues under discussion in this section may be found in this paper.

⁹⁷ The U.S. in contrast the US became increasingly interested in the energy and security possibilities of engagement in the region in the late 1990s and this only accelerated in the wake of 9/11

⁹⁸ Dov Lynch 2006, 11.

established under the framework of PCA have been made responsible for action implementation monitoring activities though with a lesser engagement of civil society.

6.3 Georgia

Time Line: Georgia	
1999	The EC-Georgia PCA entered into force.
2004-05	EDSP Rule of Law Mission
2005	Georgia is included in ENP.
2006	EU Action Plan agreed.
August 2008	Renewed outbreak of conflict involving South Ossetia, Georgian and Russia

With the impending expansion of the EU into Romania and Bulgaria and the decision to embrace the countries of the South Caucasus as part of the ENP, the EU appears to have expanded its notion of neighbourhood to encompass countries which do not share direct borders with EU countries. Clearly it was considered to be in the Union's interests to bring Georgia closer to the EU orbit by including it in the ENP thus facilitating the spread of security and stability on its borders as well as enhancing institutional channels for pursuing its energy security interests in the region.⁹⁹ Though the government of President Saakashvili has espoused the rhetoric of European integration and becoming a member of the European family, concrete actions in the domains of political and economic reform as well as a more constructive approach to conflict resolution have been less apparent. On the contrary President Saakashvili's position has rather been marked by intransigence, his determined insistence on Georgia's position as a unitary state and his regular efforts to reintegrate South Ossetia and Abkhazia, the August incursion into South Ossetia being the most large-scale and misguided attempt to do this sparking the active involvement of Russian troops. Although the actions laid out in EUGAP tally with the prerequisites of domestic reform there has been only limited substantive change to date in Georgia a fact recognised in the April 2008 Progress Report on the Implementation of ENP in 2007. This may be because Georgia has a different set of objectives when it comes to its relationship with the EU -- in the short term at least. From Georgia's point of view, its central objectives for inclusion in the ENP and for the Action Plan included (i) an enhanced political and security relationship with the EU, as a security counter-balance in its difficult relationship with Russia and (ii) the EU's direct political participation in the settlement of the South Ossetian and Abkhaz conflicts, lack of resolution of which has been attributed in governing circles in Georgia to Russia's involvement.

However up until the recent outbreak of hostilities neither the EU nor Georgia have demonstrated a strong and active commitment to conflict management in Georgia expressions of concern about conflict escalation on the part of the EU notwithstanding. Despite the Georgian wish to boost the place of conflict resolution in the Action Plan and the inclusion of 'peaceful resolution of internal' conflicts as priority area 6, since becoming president the Saakashvili government has not made serious efforts to improve relations with South Ossetia and Abkhazia let alone Moscow. One of Saakashvili's earliest moves upon assuming the presidency in January 2004 was to reassert control over Ajara -- hardly an effective confidence-building strategy vis-à-vis the leaderships in the breakaway

⁹⁹ See discussion in "Georgia the European Neighbourhood Policy: Perspectives and Challenges," Open Society Georgia Foundation, 9.

regions of Abkhazia and South Ossetia. In terms of Georgia's relationship with the EU under the ENP, the inclusion of Abkhazia and South Ossetia more broadly into the EUGAP was never entertained as an option by the Georgian central government. Evidently the leadership in Tbilisi has exacerbated relations by for example provoking peace-keeping forces, the August 2008 incursion being a step too far in a series of ongoing provocations, and by its continued unwillingness to compromise over the future status of the breakaway regions.

The EU has only belatedly become more actively engaged in the conflict management process, having previously shown itself decidedly unwilling to assume a more active role in this regard as reflected in its earlier failure to respond to a Georgian request for the deployment of an EU border monitoring mission and in its general reluctance to commit itself to any explicit actions beyond support for the OSCE and the UN in their respective mandates to resolve the issue of frozen conflicts. Ascribing conflict resolution a central place in the AP (albeit priority no. 6) has been acknowledged by Western diplomats in Tbilisi 'off the record' to have always been more of a Georgian than EU priority.¹⁰⁰ Moreover, when compared with the rather active role assumed by the current EUSR to Moldova in the area of conflict management, these dynamics do not appear to have been replicated in the case of the EUSR to the South Caucasus. However, the EU's recent attempts to spearhead the peace-making process between Russia and Georgia following the renewed outbreak of violence in South Ossetia and beyond in August 2008 and to garner international donor commitments for reconstruction efforts in Georgia could arguably be subscribed to an indirect effect of the ENP process and the EU's consequent greater involvement in the region however faltering these efforts have been.

Though up until recently the EU has not been directly involved in the political resolution of the conflicts, it has indirectly supported some confidence-building activities in the case of SO donating funds to the Joint Control Commission since 2001 and financing economic reconstruction projects in both these conflict regions such as the restoration of electricity supplies, public health and local agricultural development.¹⁰¹ A small number of projects in the area of democracy-building and human rights under the auspices of EIDHR have been also been supported recently in Abkhazia and the EU has indicated its intention to upgrade its activities in the building of civil society - but still the overall extent of such activities should not be exaggerated.¹⁰² Prior to the August conflict, though the EU had been criticised including by Georgia itself for not taking a more active role in the actual peace making process, Nathalie Tocci had argued that EU involvement might further complicate what to date has been an "ineffective and overcrowded mediation forum".¹⁰³ Moreover as suggested above and in view of its rather stumbling attempts to reach consensus among the member states and develop a consistent approach to peace-making, the EU may be advised to continue to focus its admittedly limited financial and technical assistance efforts to what it has more of a proven track record of - activities relating to post conflict rebuilding. Of course compared with its previous experience in the Balkans, perhaps with the exception of Kosovo, the key difference here is that the conflicts or at least the negotiations over final status - recent violence notwithstanding -- remain frozen.

¹⁰⁰ ICG, 2006, 9.

¹⁰¹ The JCC is a quadripartite body, including the Georgian and Ossetian sides (the parties in the conflict), Russia and North-Ossetia that seeks to address issues related to the conflict. For further details on project support in SO and Ab see DG Relex report, 2006.

¹⁰² See http://ec.europa.eu/europeaid/where/worldwide/eidhr/projects_en.htm for details of projects (accessed November 6, 2008)

¹⁰³ Tocci, 2006.

However the EU has played a more active role in democracy-building and strengthening the rule of law in Georgia as a whole. From 2004-2005 under the framework of EDSP the EU supported a rule of law mission (UNJUST THEMIS) in Georgia. Such efforts may in the long run facilitate advances in the process of conflict resolution. But for the time being the weakness of the Georgian state and its uncertain commitment to democracy-building have meant that it is not seen as a credible negotiating and peace-making partner by the breakaway regions' leaderships.¹⁰⁴

The recent events in South Ossetia and Georgia with the sizeable involvement of Russian forces and the confident and unyielding position of the Russian leadership highlighted rather poignantly the limitations on the EU's role as a conflict management as well as some of the potential contradictions facing the West and the EU in particular which clearly limit its scope for action. In addition to the familiar difficulties of EU member states in reaching consensus on how to react to the escalating violence in this case due in large part to their cross-cutting interests in their relationship with Russia, President Sarkozy in his capacity as rotating EU President embarked on a round of shuttle diplomacy ten days into the violent conflict and nonetheless succeeded in securing a ceasefire but a ceasefire of sorts which made considerable concessions to the Russians and which the Russians chose to implement as and when they deemed it appropriate. Disagreements have surfaced throughout the processes of peace-making and initial stabilisation most recently reflected in the problematic of reaching agreement over the size and mandate of a new EU mission to the country.¹⁰⁵ Recent events have highlighted the potential contradictions between a range of Western interests and objectives as well as underlining underlying (i) fault-lines between US and European responses and intra-European positions as well and also (ii) clashing objectives - in this case the objective of conflict management appeared to be undermined by that of reaching agreement on a NATO membership action plan for Georgia and Ukraine. Such contradictions inevitably limit the scope and efficacy of potential EU responses.

6.4 Azerbaijan

Time Line: Azerbaijan

1999	The EC-Azerbaijan PCA entered into force.
2005	Azerbaijan is included in ENP.
2006	EU Action Plan agreed

The EU's relationship with Azerbaijan reflects a different set of interests and priorities on both sides compared to its relations with Ukraine and Moldova. The country's authoritarian leadership under President Ilham Aliev, who succeeded to power following the death of his father Geydar Aliev in 2003, has not expressed an active interest in future membership of the Union. Nor given the increasingly authoritarian political regime has the government shown itself amenable to responding to the second EU-Azerbaijani Action plan priority of strengthening democracy in the country. During the drafting of the country's Action Plan, the Azerbaijani authorities and EU were unable to reach agreement on a stronger wording for this priority; hence the short and rather insipid list of actions laid out

¹⁰⁴ See Nathalie Tocci, *The EU and Conflict Resolution: promoting peace in the backyard* (Routledge, London, 2008).

¹⁰⁵ See <http://www.euractiv.com/en/enlargement/eu-peace-mission-georgia-air/article-175266> accessed September 25, 2008.

in the plan.¹⁰⁶ In practice Baku at best only pays lip service to the democratic rhetoric laid out in the AP and the April 2008 Progress Report simply noted in rather anodyne fashion the lack of progress in achieving the Action Plan objectives in the area of democratic governance.¹⁰⁷

There is arguably a direct link here to Azerbaijan's considerable oil reserves and important geo-strategic position in the region following the opening of the BTC pipeline in 2005-2006. Domestically revenues from the sale of energy resources have enabled the country's leadership to assure the acquiescence of its people in the face of an increasingly authoritarian governing regime. Electoral violations have been rife (but overlooked by the European Commission); civil society development has been curtailed and human rights violations are widespread; journalists have been imprisoned and tortured. The EU also has its own economic security interests in the region and the inclusion of Azerbaijan in particular in the ENP was a reflection of the growing geopolitical interest of Brussels in the South Caucasus region as a whole as well as its economic interests in securing its own energy supplies in the years ahead which perhaps explains its rather muted attention to the country's democratic record. Azerbaijan for its part seeks the EU's technical assistance in institutional modernization in order to further economic cooperation in the oil and gas industry - which is reflected perhaps in the separate allocation of funds under the national indicative programme (unlike in the other Eastern neighbours) to support for legislative and economic reforms in the transport, energy and environment sectors (see above p.13). The EU's relationship with Azerbaijan illustrates clearly the potential tension in the ENP between promoting democratic values when critical economic interests come to the fore with partner countries and threaten to override the stress on democratisation priorities and thus undermining the credibility of the EU's conditionality approach.

Though contributing to a peaceful solution of the Nagorno-Karabakh conflict is the first priority in the EU-Azerbaijan Action Plan, Azerbaijan does not consider the EU a "relevant actor" with regard to the frozen conflict and this is clearly reflected in the tentative, bland and unspecific set of actions included therein - increase diplomatic efforts, increase political support to the Minsk Group, encourage people-to-people contact.¹⁰⁸ Overall the EU is a much weaker player in the South Caucasus than other regional powers (Iran, Turkey, Russia) and the U.S. Moreover unlike in the cases of the frozen conflicts in Moldova and Georgia where the EU has declared its unambiguous support for the metropolitan state, the EU has in its actions at least pursued a more delicate balancing act between Armenia and Azerbaijan. Though having said this the introductory section to the EU-Azerbaijan AP does include a paragraph on respect for sovereignty, territorial integrity and inviolability of international borders of each other's state and "compliance to international norms and European principles". However the EU is not involved in the peace negotiations process, the OSCE Minsk process; nor did it attempt to take advantage of the process of negotiation over the Action Plans to bring the leaderships of Armenia and Azerbaijan back to the negotiating table. Moreover its involvement in reconstruction has also been highly circumscribed though it has indicated its willingness on a number of occasions to contribute to a peacekeeping force in the case of agreement on such a deployment being reached by the parties to the conflict.¹⁰⁹

¹⁰⁶ http://ec.europa.eu/environment/enlarg/pdf/enp_action_plan_azerbaijan.pdf

¹⁰⁷ See http://ec.europa.eu/world/enp/documents_en.htm accessed August 2, 2008.

¹⁰⁸ Babayev, 205 and EU-Azerbaijan Action Plan, 2006.

¹⁰⁹ EU funding has been directed at a small number of rehabilitation projects mainly in coordination with UNDP, UNHCR and World Bank in areas in Azerbaijan affected by war but there has been no support for reconstruction or democratisation projects in NK itself.

The case of Azerbaijan highlights only too clearly the apparent willingness of the EU to settle for not much more than lip service to the rhetoric of democracy and human rights and even conflict resolution in the face of overarching economic interests. On the other hand it may also reflect a more rational recognition on the part of officials in the Commission that given the complex set of regional relations and economic and security interests at play in Azerbaijan and the surrounding region that the EU is highly circumscribed in its capacity to exert any real leverage on the state of democracy in the country as well as in the immediate processes of short-term conflict management.

6.5 Armenia

Time Line: Armenia

1999	The EC-Armenia PCA entered into force.
2005	Armenia is included in ENP.
2006	EU Action Plan agreed

Since the collapse of the Soviet Union, Armenia has retained a close political and economic relationship with Russia. Russia is Armenia's main trading partner and also has consistently supported Yerevan's position in the Nagorno-Karabakh conflict. At the outset of this brief discussion of the ENP and Armenia it is important to stress that any potential benefits resulting from Armenia's relationship with EU are unlikely to shift this fundamental dynamic. Moreover as already stated the EU also has its own economic and political interests in its relationship with Russia. Thus the capacity of the EU to engage and effect change is circumscribed by these overarching factors. As in the case of Azerbaijan, it seems that there is a considerable degree of lip service on both sides in terms of Armenia and the ENP both as concerns democratic values and also conflict management. This is reflected for example in the fact that the priority of conflict resolution is only priority number 7 in Armenia's AP, the outlined actions are at best tame and perhaps not wholly surprisingly but in contrast to the Azerbaijan case references to territorial integrity are omitted.¹¹⁰

Armenia's lack of real interest in the ENP process was reflected in the fact, as noted by the International Centre for Human Development, that the new government which came to power seven months after the approval of the EU-Armenia Action Plan failed to even mention the European Neighbourhood Policy and Action Plan let alone its provisions in its new government programme.¹¹¹ More recently the absence of substantive EU engagement and leverage in democracy-building and conflict resolution has been reflected most vividly both in the suppression of demonstrations in the wake of the Armenian presidential elections in February 2008 which were widely judged not to have been free and fair as well as in the continued stalled state of the negotiations between Armenia and Azerbaijan over the de facto secessionist region of NK.¹¹² Further detailed investigations are necessary to shed more light on this area.

¹¹⁰ These include continued support for a peaceful solution, increased diplomatic efforts and fostering people to people contacts (see discussion in ICG report, 2005, 12)

¹¹¹ See "Haven't we forgotten about the European Neighbourhood Policy Action Plan", International Centre for Human Development.

¹¹² See Kimana Zulueta-Fulscher (2008) "Elections and the European Neighbourhood Policy in Armenia" for a more in-depth analysis of the elections. FRIDE Comment, May 2008, <http://www.fride.org/publication/436/elections-and-european-neighbourhood-policy-in-armenia> (accessed November 6, 2008)

7. Conclusion

Based on its investigation of the impact of the European Neighbourhood Policy on facilitating democratic change and conflict management in the EU's Eastern neighbourhood, this paper has highlighted the following key findings:

Given the lack of membership prospect and the complex set of domestic, regional and international interactions at play in the Eastern neighbourhood, the ENP is judged to have only had a limited transformative effect in the cases of Moldova and Ukraine and a negligible impact to date in the countries of the Southern Caucasus. The case studies under investigation suggest that the potential impact of the ENP is crucially determined and shaped by the domestic context. Where there is domestic support for ENP implementation in the executive structures of the participating country (parts of the bureaucracy, certain government ministers, the Presidency) as well as the active engagement of NGOs as has been seen in both Ukraine and Moldova some progress has been made in furthering democratic reforms and edging towards conflict resolution. Conversely where there is only varying degrees of rhetorical support for ENP and moreover the EU has potentially contradictory interests for its engagement in the particular country, there has been little movement both in terms of democratic change and conflict resolution. Evidence for this abounds throughout the region of the Southern Caucasus. Inasmuch as this is the case ENP implementation can be viewed as a measure of the regime's democratic credentials.

Moving beyond the traditional power asymmetry conditionality-based model of EU-partner country interactions in which the EU is viewed as "holding all the chips" and thus being in a position to dictate the structure and content of engagement in external countries, the ENP's experience in the Eastern neighbourhood, particularly in Ukraine and to a lesser extent in Moldova, suggests there is a more complex dynamic at play. The socialising effects of ENP - which can be detected at both the normative and procedural level in participating countries - may ultimately also lead to a "procedural entrapment" of the EU itself and an unavoidable extension of the membership perspective at some point in the future to diligent participating countries. In other words if a country, Ukraine being the clearest case in point to date, fulfils all its obligations under the ENP leading to a progressive deepening and enmeshing of its normative and institutional structures with those of the EU, the EU ultimately will find itself entrapped, unable to continue to rule out a membership prospect.

Finally this investigation suggests that there are major limitations to the EU's role as a conflict manager in the context of the ENP. Though all the Action Plans of the Eastern neighbours contain reference to advancing conflict resolution, the commitments outlined are often vague, declaratory and rather piecemeal. The inadequate attention to the critical place of conflict management in impeding political and economic progress of the countries in the Eastern neighbourhood can be attributed in part to the origins of the instrument in DG Enlargement as an adaptation of the CEE enlargement model and also the division of responsibility for foreign and security policy and conflict-related issues between the High Representative for CFSP in the Council and the directorates of the Commission. The EU has at best been a reluctant participant in conflict management in the Eastern neighbourhood and even here it has shown varying degrees of engagement with greater involvement in the Transnistrian conflict as an Observer in the 5+2 talks, in sponsoring the EUBAM border monitoring mission and the more visible role of the EUSR compared with its limited engagement in the frozen conflicts in South Ossetia, Abkhazia and Nagorno-

Karabakh. Until the renewed outbreak of hostilities in South Ossetia and Georgia more broadly and the active involvement of Russia this August, the EU had largely eschewed attempts to play a more active role in conflict management in the region, largely limiting its involvement to funding some post-conflict reconstruction and rehabilitation projects. This lack of engagement was reflected in its belated and faltering attempts to develop a concerted response to the conflict situation in Georgia recent weeks though conversely shortcomings and conflicting interests notwithstanding the involvement of the EU in the renewed conflict situations in Georgia may herald a shift to a more active engagement in Georgia on the part of the EU. Apart from geographical proximity and institutional constraints in Brussels and in terms of EU presence on the ground, the explanation for these varying levels of attention most likely lies in the differing set of at times conflicting interests which shape the EU's engagement in these countries - both domestically and with other key regional actor Russia.

Thus the assessment of the ENP in the areas of conflict management and democratic change is rather ambivalent. Though through the ENP the EU has put in place the institutional possibilities for an enhanced relationship with the countries of its Eastern neighbourhood with potential positive effects in a range of political, economic and conflict-related domains, the record to date has been limited. Limited in part by contradictions in the structure, capacities and delivery of the ENP to participating countries, limited by conflicting EU interests. But perhaps more importantly and here lies the potential for future development - limited by the critical interaction of ENP with the domestic context and the broader regional and international environment. Inasmuch as this is the case it is apparent that where there is commitment on part of important elements of government elites, backed up by the mobilisational activities of civil society there is the possibility for furthering change in the ENP participating countries - in terms of institutional and democratic norm alignment - and this in the long run may lead to a lock-in effect not only on the part of the neighbouring country but also for the European Union itself.

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