COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 3 December 2008 COM(2008) 823/4

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

Eastern Partnership

{SEC(2008) 2974}

EN EN

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

Eastern Partnership

1. A CHANGING CONTEXT

The European Union has a vital interest in seeing stability, better governance and economic development at its Eastern borders. At the same time, our partners in Eastern Europe and the Southern Caucasus all seek to intensify their relations with the EU. The Union's policy towards them must be proactive and unequivocal: the EU will give strong support to these partners in their efforts to come closer to the EU, and will give all necessary assistance with the reforms this entails, through a specific Eastern dimension within the European Neighbourhood Policy (ENP)¹.

The past 15 years have brought sweeping changes on the EU's eastern flank. Since the conclusion of Partnership and Cooperation Agreements between the European Union and Eastern Partners², successive enlargements have brought greater geographic proximity, while reforms supported by the ENP have brought these countries politically and economically closer to the EU. The EU has a growing responsibility to the partners, to help them address the political and economic challenges that they face and to support their aspirations for closer ties. The time has come to make a step change in relations with these partners, without prejudice to individual countries' aspirations for their future relationship with the EU.

The European Council of 19/20 June 2008 invited the Commission to prepare a proposal for an "Eastern Partnership" (EaP), emphasising the need for a differentiated approach respecting the character of the ENP as a single and coherent policy framework. The Extraordinary European Council of 1st September 2008 asked for this work to be accelerated, responding to the need for a clearer signal of EU commitment following the conflict in Georgia and its broader repercussions.

2. A MORE AMBITIOUS PARTNERSHIP

The present Communication sets out proposals for an Eastern Partnership. The EaP should bring a lasting political message of EU solidarity, alongside additional, tangible support for their democratic and market-oriented reforms and the consolidation of their statehood and territorial integrity. This serves the stability, security and prosperity of the EU, partners and indeed the entire continent. The Eastern Partnership will be pursued in parallel with the EU's strategic partnership with Russia.

The ENP has already been successful in forging closer relations between the EU and its neighbours. The EaP should go further. The guiding principle should be to offer the maximum

http://ec.europa.eu/world/enp/index en.htm

Eastern partners (or "partners") for the purposes of this Communication are the Eastern Europe and South Caucasus countries addressed by the European Neighbourhood Policy: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine.

possible taking into account political and economic realities, and the state of reforms of the partner concerned, bringing visible benefits for the citizens of each country. An essential component of the EaP will be a commitment from the EU to accompany more intensively partners' individual reform efforts.

It is important that this partnership should be pursued with the full political engagement of EU Member States. Active parliamentary contacts and exchanges will also play an important role.

The EaP will be based on mutual commitments to the rule of law, good governance, respect for human rights, respect for and protection of minorities, and the principles of the market economy and sustainable development. The level of ambition of the EU's relationship with the Eastern Partners will take into account the extent to which these values are reflected in national practices and policy implementation.

Joint ownership is essential, and both sides of the EaP have their responsibilities. Only with strong political will on both sides will the EaP achieve its objective of political association and economic integration.

Work to achieve these goals should go ahead on a bilateral and a multilateral track:

- The bilateral track will be designed to create a closer relationship between the EU and each of the partner countries to foster their stability and prosperity in our mutual interest. It will include the upgrading of contractual relations towards association agreements; the prospect of negotiations to put in place deep and comprehensive free trade areas with each country and greater support to meet the related requirements, leading to the establishment of a network of FTAs that can grow into a Neighbourhood Economic Community in the longer term; progressive visa liberalisation in a secure environment; deeper co operation to enhance the energy security of the partners and the EU; and support for economic and social policies designed to reduce disparities within each partner country and across borders. A new Comprehensive Institution-Building (CIB) programme will be needed to improve the capacity of each partner to undertake the necessary reforms.
- The multilateral track will provide a new framework where common challenges can be addressed. Four policy platforms are proposed below, on democracy, good governance and stability; economic integration and convergence with EU policies; energy security; and contacts between people. The multilateral track will also advance through a number of flagship initiatives supporting the aims of the EaP to be funded through multi-donor support, IFIs and the private sector.

3. DEEPER BILATERAL ENGAGEMENT

The partners do not have identical objectives for their relationship with the EU, but they all share a common wish to deepen relations. The EU should be open to this and offer a higher level of political association, and progressive intensification of links in key areas.

Building on previous Commission proposals to strengthen the ENP, the EaP will reinforce the interaction with all six partners, always tailored to each partner's specific situation and ambition. The level of Belarus' participation in the EaP will depend on the overall development of EU — Belarus relations.

3.1. New contractual relations

Association Agreements (AAs) can provide a response to partners' aspirations for a closer relationship. This contractual frame for a stronger engagement, superseding the current Partnership and Cooperation Agreements, will be negotiated with partners that are willing and able to take on the resulting far-reaching commitments with the EU. These new agreements will create a strong political bond and promote further convergence by establishing a closer link to EU legislation and standards. They should also advance cooperation on Common Foreign and Security Policy and European Security and Defence Policy.

The content of the agreements will vary and will be differentiated according to partners' objectives and capacities. The implementation of the AAs will be facilitated by successor documents to the current ENP Action Plans, incorporating where appropriate milestones and benchmarks and underpinning domestic reform agendas.

A sufficient level of progress in terms of democracy, the rule of law and human rights, and in particular evidence that the electoral legislative framework and practice are in compliance with international standards, and full cooperation with the Council of Europe, OSCE/ODIHR and UN human rights bodies will be a precondition for starting negotiations and for deepening relations thereafter.

To assist partners in meeting these conditions and to help them meet the commitments stemming from the AAs, a **Comprehensive Institution-Building programme** (CIB) for improving administrative capacity in all relevant sectors of cooperation will be developed with each partner co-financed, through the European Neighbourhood and Partnership Instrument (ENPI)³

3.2. Gradual integration in the EU economy

Open markets and economic integration are essential to the development of the partners and to their confidence in a growing partnership with the EU. The AAs will therefore provide for mutual market access, which will create new opportunities on both sides and underpin political stabilisation.

The AAs will include the goal of establishing a **deep and comprehensive free trade area** (DCFTA) with each of the partner countries⁴. These DCFTAs will be established only once these countries have joined the WTO⁵. They will cover substantially all trade, including energy, and aim at the highest possible degree of liberalisation⁶ (with the asymmetry in the pace of liberalisation appropriate to the partners' economies). They will contain legally binding commitments on regulatory approximation in trade-related areas and will thus contribute to the modernisation of the economies of the partner countries and anchor the necessary economic reforms. They will create real perspectives for enhanced movement of

_

Regulation (EC) No 1638/2006 of the European Parliament and of the Council of 24 October 2006

The Commission has outlined the nature and the advantages of a deep and comprehensive Free Trade Agreement in its Communications on "strengthening the ENP" of 4 December 2006 - COM(2006)726 - and on "a strong ENP" of 5 December 2007 - COM(2007) 774 - and, in particular, in its non-paper on the "ENP — a path towards further economic integration", see http://ec.europa.eu/world/enp/pdf/non-paper_economic-integration_en.pdf.

⁵ Currently only Azerbaijan and Belarus have not yet concluded their WTO accession negotiations.

This includes limiting the number of agricultural products excluded from full liberalisation, cf. "A strong ENP", 5 December 2007 - COM(2007)774.

goods (this could include Agreements on Conformity Assessment and Acceptance of Industrial Products and the recognition of equivalence achieved by partners related to sanitary and phytosanitary standards for agricultural and food products), capital and the supply of services (inter alia through provisions on mutual recognition of legal and institutional frameworks in certain sectors, better conditions for establishment of companies, and more opportunities for persons to be temporarily present in the territory of the parties for business purposes), to be achieved over the long term.

Some partners may not be ready to negotiate and enter into the commitments that such a goal entails at the time when the AAs are concluded. Nevertheless, the objective of establishing a DCFTA will form an integral part of the AAs, with a commitment to start negotiations on a WTO-compatible deep and comprehensive free trade area as soon as the partner country is sufficiently advanced in its preparation to negotiate, implement and sustain the effects of a far-reaching liberalisation. The Commission's ENP Progress Reports and specific feasibility studies will contribute to this assessment. The CIB will assist partners to prepare for the negotiation and implementation of DCFTA-commitments.

A longer-term goal would be the creation of a network of bilateral agreements <u>among</u> the partners, possibly leading to the creation of a Neighbourhood Economic Community. This is discussed further in section 4.

In parallel, sectoral measures should be pursued to facilitate market access for partners. In the agriculture sector, agreements on **Geographical Indications** will be negotiated with partners⁷, and an **Agricultural Dialogue** could be envisaged, where needed, to improve mutual understanding of EU and partners' agricultural policies and to work towards harmonisation. **Intellectual Property** protection could be strengthened through an enhanced dialogue and by validation agreements between partners and the European Patent Office. With a view to developing economic activities in an appropriate regulatory framework, good governance in the tax area will be promoted.

3.3. Mobility and security

Partners emphasise that mobility is a key litmus test for engagement with the EU and promoting mobility in a secure environment⁸ should be a priority for the EaP. The EU should promote mobility of citizens with those partners that are willing to commit to ensure that the conditions for well managed and secure mobility are in place.

The EU should offer partners "Mobility and Security" pacts that would include both the mobility aspect and the conditions required to ensure the secure environment. Key policy areas that would be covered by such pacts would include fighting illegal migration, upgrading the asylum systems to EU standards, setting up integrated border management structures aligned to the EU *acquis*, as well as enhancing the abilities of police and judiciary in particular in the fight against corruption and organised crime. The pacts would improve the mobility of people, while contributing to the partners' own stability and security, as well as to the security of the EU borders. They will be tailor-made on a country-by-country-basis.

⁸ COM(2007) 774.

_

Negotiations with Ukraine and Georgia are ongoing, and a proposal to this end has been made to Moldova. The resulting agreements will be included subsequently in the DCFTAs.

The <u>mobility</u> side of the pacts would reflect the recent Commission Communication on Strengthening the Global Approach to Migration and the European Pact on Immigration and Asylum, endorsed by the European Council in October 2008. The main tool would be the Mobility Partnership, as identified in the framework of the Global Approach to Migration and currently tested with a number of countries, including Moldova. Developments in the area of visa policy will be an integral part of this wider concept.

Visa policy would follow a phased approach, leading to visa liberalisation under specific conditions and with accompanying measures, including financial assistance for our partners.

In addition to proposals that have been tabled previously, in the framework of the pacts the EU should:

- As a first step, initiate talks on visa facilitation with partners without such agreements.
 Visa facilitation agreements would be accompanied by readmission agreements and, where necessary, by technical assistance under overall assistance budgets to help partners meet the obligations stemming from these agreements;
- As a second step, revise these agreements to introduce additional facilitations, e.g waiving the visa fee for all citizens⁹.
- Develop a coordinated plan to improve Member States' consular coverage in the region by encouraging Member States to make wider use of representation and through financial support the establishment of Common Visa Application Centres, based on the successful experience in Chisinau;
- Once visa facilitation and readmission agreements are effectively implemented, open dialogues on visa-free travel with all cooperating partners¹⁰. Dialogues would establish roadmaps leading to visa waiver, dealing with four main blocks of issues: document security; fight against irregular migration, including readmission; public order issues; and external relation issues, including human rights of migrants and other vulnerable groups.
- The Commission will launch a study to quantify the costs and benefits for the EU and for partners with regard to **labour mobility** and possible labour-matching measures.¹¹ Depending on the results of the study, the EU would pursue a targeted opening of the EU labour market to citizens of partners, as well as measures to facilitate circular migration, within the framework of Mobility Partnerships.
- To ensure that mobility takes place in a <u>secure environment</u>, the EU should also help its partners implement the political and legislative commitments they have already undertaken in the ENP framework in the justice and law enforcement areas. This could be done through reinforced technical cooperation and financial assistance, where the role of twinning projects and TAIEX should be substantially enhanced.

Extrapolating from statistics for 2007, assuming that the number of applications does not change, the annual cost of a visa fee waiver for all six partners would amount to some €75 million in total for all Member States belonging to the Schengen zone. Member States not belonging to the Schengen zone would also be invited to consider waiving their visa fees.

The September 2008 EU-Ukraine Summit decided to launch a dialogue on a mutual visa-free travel regime as a long-term perspective.

The study will build on the forthcoming Commission communication 'New skills for new jobs' and would complement it.

In particular, in the framework of the pacts the EU should:

- Help partners establish high-standard border management procedures at the external borders;
- Assist them in setting up an effective data protection regime which would allow them to share operational information with Europol and Eurojust in the context of bilateral agreements;
- Grant partners special status in relevant **EU agencies**, where feasible;
- Support them in adopting and effectively implementing national strategies in line with EU standards to fight vigorously against organised crime, trafficking and high-level corruption, and to prevent money laundering and financing of terrorism, which need to be tackled effectively at an early stage.

3.4. Energy security

The EaP will aim to strengthen the energy security of the EU and of the partners with regard to long-term energy supply and transit¹². In addition to multilateral initiatives (see section 4.3.), the Commission proposes, taking account of the Second Strategic Energy Review¹³, a number of bilateral measures.

- Inclusion of "Energy interdependence" provisions in the AAs, in coherence with, inter alia, EU trade, competition and energy policies, to be negotiated with partners, taking account, where appropriate, of existing Memoranda of Understanding¹⁴;
- Swift completion of negotiations on Ukraine's and Moldova's membership in the Energy Community. When appropriate, an extension of observership to other partners should be considered;
- Conclusion of Memoranda of Understanding on energy issues with Moldova, Georgia and Armenia as additional flexible instruments, when needed. They should contain measures to support and monitor the security of energy supply and transit, including for key energy infrastructures. In the case of Armenia, the MoU would also address the closure of the Medzamor Nuclear Power Plant:
- Enhanced support for the full integration of Ukraine's energy market with that of the EU, recognising the importance of a satisfactory assessment of the level of nuclear safety in all Ukraine's operating nuclear power plants. Rehabilitation of the Ukrainian gas and oil transit network is a priority, including through improvement of the monitoring of gas and

_

The closeness of main hydrocarbon transit pipelines to zones of conflict remains of concern. Instability in the Southern Caucasus can also threaten the region's energy security, itself. A very large Georgian hydroelectricity plant lies at the fringes of Abkhazia. Georgia trades electricity with Armenia and Azerbaijan. Gas supplies from Russia reach Armenia via Georgia. The main gas pipeline from the Russian Federation to the Balkans passes through the Transnistrian region of Moldova. These factors impact on investor confidence, on the prospects of sustainable energy transit through the Caucasus and on the EU's strategy for securing new suppliers in Central Asia.

An EU Energy Security and Solidarity Action Plan - COM(2008) 744.

The MoUs mentioned in this Communication are not legally binding instruments.

oil flows into Ukraine. A pledging and investment conference aiming to assist Ukraine in the rehabilitation and development of its gas transit network will be held in 2009;

- Enhanced political engagement with Azerbaijan, as the only EaP hydrocarbon exporting partner to the EU, based on Azerbaijan's gradual convergence with the EU energy market and infrastructure integration;
- Finalisation of a European Commission-Belarus declaration on energy, as a basis for further development of energy cooperation. This cooperation could cover, inter alia, hydrocarbon transit and energy sector reforms;
- Encouragement to all partners to participate in the Intelligent Energy Europe Programme.

3.5. Supporting economic and social development

Some partners have structural problems stemming from sharp economic and social disparities between their regions and population groups, which are often divided by historical, cultural, ethnic and religious differences. All of them also seek economic convergence with the EU. To address these challenges, EaP partner countries should be able to draw on the experience and mechanisms of EU economic and social policies. The Commission proposes:

- Memoranda of Understanding on regional policy with partners, as a basis for dialogue.
 EU expertise and networks can assist in building up administrative capacity at national and local level and support national development plans.
- With additional funding (see section 5), cooperation with partners on pilot regional development programmes addressing local needs for infrastructure, human capital, and small and medium sized enterprises (SMEs), modelled on EU cohesion policy.
- Direct co-operation between the regions of the EU and of the partner countries, including participation of relevant partners in existing transnational programmes in South-Eastern, Central and Northern Europe.
- Extending ENPI-funded cross-border co-operation, currently implemented at the external borders of the EU, to the borders between partners.

4. A NEW FRAMEWORK FOR MULTILATERAL CO-OPERATION

The EaP will add a new multilateral framework to the EU's relations with its partners. This will support progress in partners' bilateral relations with the EU, which will continue to be governed by the principle of differentiation, developing according to the ambitions and capacities of each. It will provide a forum to share information and experience on partners' steps towards transition, reform and modernisation¹⁵ and give the EU an additional instrument to accompany these processes. It will facilitate the development of common positions and joint activities. The multilateral framework will foster links among the partners themselves and will be a natural forum for discussion on further developments of the EaP.

See the Commission non-paper on "ENP — Thematic Dimension" of spring 2007, http://ec.europa.eu/world/enp/pdf/non-paper_thematic-dimension_en.pdf .

Crucially, legislative and regulatory convergence is essential to the partners' progress in coming closer to the EU. The proposed multilateral framework will provide the setting for the systematic organisation of dedicated sessions involving the relevant European Commission services and, where appropriate, Member State experts, devoted to the presentation and explanation of the EU legislation and standards as well as its comparison with national policy and legislation. In this way the EaP will initiate a **structured approximation process**, supported by the CIB¹⁶.

There is substantial complementarity between the EaP and the Black Sea Synergy and other regional and international initiatives. This is discussed in the Commission staff working paper accompanying this Communication.

4.1. Operational structure

The Commission proposes to organise the multilateral EaP framework at four levels:

- Meetings of EaP Heads of State or Government should be held every two years.
- The EaP should also advance through annual spring meetings of Ministers of Foreign Affairs from the EU and from the Eastern partners, including Belarus as appropriate, attached to a General Affairs and External Relations Council. Foreign Ministers will review progress and provide policy guidance. Work in the individual sectors can be enhanced through sector-specific ministerial conferences.
- At the third level, four thematic platforms should be established, according to the main areas of cooperation (see section 4.2). Each platform will adopt a set of realistic, periodically updated, core objectives with a corresponding programme of work and will review progress. Meetings would be held at least twice a year at the level of senior officials engaged in reform work in the relevant policy areas. Member States with an experience of transition have a particular contribution to make to the process. The platforms will report to the annual meetings of Foreign Ministers. The Commission will prepare the meeting agendas in close cooperation with the EU Presidency and partners and will chair the meetings. The work of the platforms may occasionally be promoted through sector-specific ministerial meetings.
- At the fourth level, there should be panels to support the work of the thematic platforms in specific areas. Their formats and participants will be determined according to need.

For its part, the Commission will review its internal structures to ensure the necessary coordination for a successful implementation of the EaP.

4.2. Thematic platforms

Democracy, good governance and stability

While their individual stages of reform differ, partner countries face similar challenges in developing stable **democratic institutions** and effective state structures at the service of their citizens and in complying with commitments stemming from their Council of Europe and

EU legislation and standards will continue to be presented and discussed also in the frame of bilateral thematic subcommittees.

OSCE membership. Their ongoing reforms also require stronger participation of civil society to enhance oversight of public services and strengthen public confidence in them. Multilateral activities could thus include governance peer reviews and exchanges of best practices to address issues such as electoral standards, regulation of the media or combating corruption.

The EaP should also promote **stability** and multilateral **confidence-building** with the goal of consolidating the sovereignty and territorial integrity of partners. It should advance political dialogue in fields of common interest and cover specific CFSP and ESDP issues, including the participation of partner countries in ESDP missions and exercises. Early-warning arrangements should be enhanced, with particular focus on conflict areas.

Economic integration and convergence with EU policies

Partners can draw benefits from coordinating their efforts towards economic integration and regulatory convergence with the EU. As a long-term goal, the EU should encourage these countries to establish a network of DCFTAs among themselves or regional free-trade agreements based on the bilateral commitments undertaken in the DCFTAs with the EU. This would strongly enhance intra-regional trade and economic integration and complement the countries' efforts to better integrate with the EU economy. An important element contributing to further economic integration would be the diagonal cumulation of origin. Another key action is to support the partner countries' customs reforms with the objective of improving capacity in line with international and EU standards. This process should be specifically geared to their status as transition countries and accompanied by appropriate flanking policies. As a further step, the EU and its partners may reflect on a broader regional trade approach establishing a Neighbourhood Economic Community¹⁷, taking inspiration from the European Economic Area¹⁸ where appropriate. Such a Community would in the longer term offer full access to the single market. It would require the partners to develop the capacity of their economies to be able to fully withstand the competitive pressures of the single market and to demonstrate not only a willingness to adopt all relevant elements of the EU acquis, but also a capacity to implement them, with comparable standards and practices. Substantially increased technical assistance and funding will be needed to achieve this objective.

Private sector involvement will be sought, with a view to improving the business climate in the partner countries. Efforts will also focus on enhancing employment, decent work, social cohesion and equal opportunities, aiming at a positive impact of economic integration.

Multilateral cooperation should be extended to **environment policy and climate change**, to address issues such as multilateral conventions, strategic planning, environmental governance, enforcement, specific environment themes, the financing of environment investments in a regional context, climate change mitigation and adaptation, the involvement of partners in international discussions on future climate action and experience sharing on emissions trading. The EaP multilateral process should also facilitate the **interconnection** of partners' transport and telecommunications networks — among themselves and with the EU — and the harmonisation of the regulatory environment. Strong and diversified regional transport cooperation already exists¹⁹; the EaP could promote additional technical talks on selected

The Commission services outlined the scope of required efforts in a non-paper entitled "ENP – a path towards further economic integration" of spring 2007", http://ec.europa.eu/world/enp/pdf/non-paper_economic-integration_en.pdf .

Iceland, Liechtenstein, Norway and EU Member States.

Notably in the frame of TRACECA.

topics such as aviation safety, inland navigation and infrastructure projects, taking due account of on-going talks in other regions. The deployment of advanced research and communications networks should also be promoted.

Energy security

The energy security of the EU and partners is closely linked and the EaP Energy Security platform should concentrate on measures of mutual interest:

The EaP will aim to develop and implement **mutual energy support and security mechanisms**, including early warning mechanisms and joint security actions. One of the objectives will be to strengthen contacts on energy security and to enhance energy crisis preparedness. An energy security panel will be established to support this work. This panel may consider formalising partners' interaction, on an ad hoc basis, with the EU's NESCO (Network of Energy Security Correspondents), and would build on existing arrangements with the Gas Coordination Group and the Oil Supply Group, and bearing in mind the work being undertaken in other fora, including the Energy Community, where appropriate.

The EaP will furthermore accelerate the **harmonisation of partners' energy policies and legislation** with EU practice and *acquis*, inter alia, in the area of electricity, gas, oil, renewables, and energy efficiency. Intensified cooperation with key stakeholders (national administrations, regulators, agencies) will support this process.

The creation in the medium term of a mutually beneficial **interconnected and diversified energy market** between the EU and partners will also be pursued. This requires the development of an Energy Infrastructure Action Plan for the EaP, taking into account the Second Strategic Energy Review and the EU Priority Interconnection Plan²⁰. Partners' storage capacities for oil and gas should also be improved, including through the encouragement of joint storage arrangements. Concerning key infrastructures that face heightened non-commercial risks, the development of **public-private partnerships** bringing together the EU with the EaP partner countries may also become increasingly important.

Energy security of the EU and partners requires a strong diversification of supply and transit routes. This could be better achieved by closer involvement of third countries including Central Asia countries. Therefore, the EaP should contribute towards the ongoing strengthening of the Baku Process as a genuine energy partnership, with a full participation of countries of Central Asia as a key energy producing region, and including through the development of the Southern corridor including the Transcaspian.

²⁰ COM(2006) 846 final/2, 23.2.2007.

Contacts between people

Interaction between EU and partner countries' citizens, in particular young people, needs to be recognised as a promoter and monitor of change and will be encouraged. The EU has specifically recognised the value of **cultural cooperation** and inter-cultural dialogue as an integral part of all external policies and, has underlined the importance of cultural cooperation in addressing political processes and challenges²¹. Cooperation can also build on a number of popular Community and external assistance programmes, notably in the area of **education**, including language learning, **youth** and **research**. The development of the **Information Society** and the role of **media** in facilitating contacts between people must also be supported.

4.3. Flagship initiatives

The objectives of the EaP may also be advanced through selected flagship initiatives providing visibility and focus to multilateral cooperation. These initiatives should seek to mobilise multi-donor support, funding from different IFIs and investment from the private sector. The Commission considers that they could include an *Integrated Border Management Programme*; an *SME Facility*; promotion of *Regional electricity markets, energy efficiency and renewable energy sources*;²² development of the *Southern energy corridor*; and cooperation on *Prevention of, preparedness for, and response to natural and man-made disasters*.

Potential subjects for the work of the thematic platforms and panels and a description of the proposed flagship initiatives are set out in the Commission staff working paper.

4.4. Participation

Beyond government representatives and the European Commission, work will involve other EU institutions, international organisations (such as the OSCE and CoE), International Financial Institutions, parliaments, business representatives, local authorities, and a wide range of stakeholders in the fields covered by the thematic platforms.

Particular attention should be paid to the involvement of civil society. The Commission proposes to support the further development of Civil Society Organisations (CSOs) and to establish an EaP Civil Society Forum to promote contacts among CSOs and facilitate their dialogue with public authorities.

Third countries could be involved in the work of a thematic platform, a panel or an initiative, on a case by case basis and if there is agreement that common interests in a topic, geographical proximity or existing economic links would make this beneficial.

The Commission would welcome any initiative by the European Parliament to make the "EuroNest" parliamentary cooperation that it has developed an integral part of the EaP. In addition, a Parliamentary Troika comprising the European Parliament, the OSCE and the Council of Europe Parliamentary Assemblies could underpin the multilateral aspects of the EaP.

EU Presidency Conclusions of the European Council of June 2008, paragraph 78.

Work in this area has already begun under the INOGATE Programme.

The Commission invites the participation of the **Committee** of the **Regions** and the **European Economic and Social Committee**, particularly in the work under thematic platforms on *Democracy, good governance and stability* and on *Contacts between people*. The Commission further invites the Committee of the Regions to establish an Eastern Europe and South Caucasus Local and Regional Assembly and the European Economic and Social Committee to participate in the Civil Society Forum.

5. RESOURCES

One of the clearest signals the EU can give of a concrete commitment to its partners is to bring funding levels in line with the Partnership's level of political ambition. Substantially increased financial resources are required to achieve the objectives set out in this proposal.

These funds will be used to advance the EaP reform agenda through the implementation of CIB programmes which will provide advice and training (e.g., through twinning and TAIEX) to public administrations as well as equipment and specialised infrastructure (e.g., laboratories) needed for their operation. The increased resources will also finance the operations of the platforms and support a number of flagship initiatives. Finally, they will support the establishment of partners' regional policies fostering stability through the promotion of internal cohesion and the reduction of socio-economic disparities.

Current ENPI funding for the partners amounts to some € 450 million in 2008. The Commission intends to propose progressively raising this amount to reach approximately € 785 million in the year 2013. This will require supplementing the current ENPI envelope with €350 million of fresh funds on top of the planned resources for 2010-13. In addition, in the framework of the budget review, consideration will be given to further raising the level of assistance to reflect the level of ambition of the policy towards these partners.

In order to address the most immediate needs the ENPI Regional Programme East will be refocussed to sustain the EaP multilateral dimension. Funds available within the 2009 envelope can be used to kick-start urgent initiatives and approximately €250 million under the current ENPI envelope can be re-programmed for the period 2010-13.

This combination of fresh and reprogrammed funds will bring the total amount of resources devoted to the new initiatives identified in this Communication to €600 million.

Beyond increasing Community grant assistance, a vigorous EaP will require practical measures to ensure effective delivery and improved donor coordination, and to leverage more investment funding, notably through the EIB and EBRD. The Mid-term review of the external mandate of the EIB will provide an opportunity to consider raising the indicative ceiling for the Eastern partners and widening its scope. For major infrastructure projects, support for public/private investments through the coverage of non-commercial risks should be considered. The Neighbourhood Investment Facility (NIF) can be used to channel EU grant funds for such projects and the Commission calls on Member States to contribute financially to the EaP including through increased contributions to the NIF. Further information concerning these issues is found in the Commission staff working document accompanying this Communication.

The implementation of the EaP will also necessitate the allocation of adequate human resources within the relevant Commission services. In particular, the EC Delegations in the partner countries need to be reinforced.

6. CONCLUSIONS

The rationale of the ENP – that the Union has a vital interest in promoting better governance and economic development through a determined engagement in its neighbourhood – is more valid than ever. Deepening our relations with the partners through the Eastern Partnership is thus both a strategic imperative and a political investment for the EU, which will pay dividends to Europe's citizens.

The EaP will contribute to energizing reforms, integrating markets and societies, projecting stability and counteracting the risk of the emergence of new borderlines across our continent. The Commission calls on the Council and European Parliament to provide strong political and financial support to the EaP.

The Commission proposes that the Eastern Partnership be launched at a Summit Meeting in the spring of 2009, involving the Heads of State or Government of all EU Member States and partners. This "Eastern Partnership Summit" will adopt a Political Declaration establishing the Partnership, spelling out its main goals and principles and determining the general features of the ensuing cooperation process.