

NON-PAPER

by the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Romania, Slovak Republic and Slovenia

Harnessing the transition experience in EU's external relations - from policy to implementation

I. Setting

The European Consensus for Development sets in Article 33 that "the EU will capitalise on new Member States' experience (such as transition management) and help strengthen the role of these countries as new donors". This was reiterated by the Council conclusions of 18 November 2009 on an Operational Framework on Aid Effectiveness (Article 4 and Article III/2 of the Annex) by the recent Commission's Green Paper on EU development policy (Chapter 2.3) as well as by the European Council conclusions of 4 February 2011, where the EU expresses its support to the transition processes in the Mediterranean countries (Article 32 – Annex II).

With the Lisbon Treaty in place and the ongoing process of setting up the EEAS, the EU has a potential to make external policies and instruments more effective and coherent in pursuing its strategic interests. Using of transition experience could contribute - if used in a systematic and coherent manner - to achieve such EU political interests towards pre-accession countries, European neighbourhood partners, Sub-Saharan Africa and developing countries worldwide.

For the purpose of this paper, transition cooperation refers to a specific technical support which uses the experience of the EU and its Member States from political and economic reforms in areas such as democratic institution building, public administration, judicial and security sector reform, public finance management, market economy reforms, trade liberalization, privatisation of state owned-enterprises, environment protection and management, etc. A special attention needs to be given to partner countries that aim to acquire the EU norms, standards and relevant part of *acquis*. As transition needs to be approached in a holistic manner, an important area for application of the transition cooperation is the support for democratic processes, protection of human rights, strengthening of the civil society, cooperation with local government, independence of media etc.

The work of collecting the transition experience has been ongoing since autumn 2008. European Commission has developed a concept of European Transition Compendium, a comprehensive summary of the experience of those countries that would like to make it available to different development partners. The Compendium is meant to complement the already existing EU development toolbox with a "living pool of expertise" by tapping into the current instruments and allowing the EU delegations and our partners on the ground to utilize the whole EU development potential.

II. Objectives

The EU should develop a more systematic approach towards using transition experience in external relations. This relates both to the policy formulation as well as to its implementation. By doing so, the EU will be able to:

- support political and economic reforms in partner countries in order to ensure stability and security beyond EU borders, in particular in the neighbourhood regions,
- respond flexibly to specific needs of partner countries in democratization and modernization processes related to broader scope of policies, as well as to specific needs of civil society actors,

- improve aid effectiveness through enhancing capacity development in partner countries using well targeted technical assistance, as well as through an effective division of labour among EU donors based on their respective comparative advantages,
- closely link EU external and development policies with the focus on the needs on the ground, as well as on performance, good governance, reciprocity and result-oriented management,
- increase the ownership of the EU development policy by those Member States that are strengthening their roles as donors and thus respond to the abovementioned conclusions of the Council.

III. Principles

While incorporating transition experience into the EU external policy and instruments, well established principles and on-going processes of coherence and aid effectiveness should be observed:

While respecting different mandates of EU Enlargement Policy, European Neighbourhood Policy, Common Foreign and Security Policy, EU Common Trade Policy and Development Cooperation Policy, coherence will be improved by ensuring that these various approaches deliver for development in accordance with the Lisbon Treaty. Effective cooperation between all actors, including the EEAS, the Commission and the Council / Member States is essential. The European Parliament should also be engaged.

Aid effectiveness will be improved by a demand-driven approach (based on needs of partner countries and/or civil society actors in partner countries) and more effective coordination and division of labour between the EU donors. Focus should be on ownership, performance and results. Where appropriate, other international partners (such as the UNDP, World Bank etc.) should be consulted.

IV. The way forward

We call on the Commission and the EEAS to consider how to systematically employ transition experience in EU external action. This could include steps to:

1. Complete the work on the European Transition Compendium with the aim to create a practical tool and categorize "the pool of expertise" to be used in EU transition cooperation vis-à-vis third countries. Ways to operationalize the Compendium needs to be identified focussing on the needs and specificities of the different countries or group of countries facing different transition challenges.
2. Incorporate the notion of transition cooperation in relevant policy documents and discussions, such as the EU Enlargement Package, the ENP Strategic Review, EDF Performance Review and the new EU Development Policy Strategy (based on the recent Commission's Green Paper). Where appropriate the transition cooperation should be used in the EU joint programming exercises.
3. Maximize the potential of current schemes (in particular under the IPA, ENPI and EIDHR programmes) and create new opportunities for a systematic use of transition experience in the framework of EU financial instruments for the period after 2013 – for example by earmarking funds dedicated to transition cooperation under the DCI thematic programmes.
4. Include regularly an exchange of views on transition needs and possible EU support in relevant dialogues with third countries concerned.

Given in Prague, Tallinn, Budapest, Riga, Vilnius, Bucharest, Bratislava and Ljubljana

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