

U4 Expert Answer



European Union strategies to support anti-corruption measures in neighbouring countries

Query

What are the existing EU strategies and approaches to support anti-corruption measures in European Neighbouring countries?

Purpose

A U4 Partner Agency located in one of the European Neighbouring countries is organising a workshop on the issue.

Content

1. European Neighbourhood Policy
2. European Union strategies and approaches to support neighbouring countries in their fight against corruption
3. References

Summary

The European Neighbourhood Policy (ENP), first developed in 2004 and revised in 2011, is part of the EU strategy for strengthening the prosperity, stability, and security in neighbouring countries (Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Morocco, Moldova, Palestinian territory, Syria, Tunisia, and Ukraine) in order to build a mutual understanding of common values such as democracy and human rights, rule of law, good governance, market economy principles and

sustainable development. The fight against corruption features in the ENP as one of the most important challenges in order to achieve progress towards deep democracy and the rule of law among partner countries.

To address these challenges, the EU has developed several approaches to support anti-corruption measures in neighbouring countries. Support to anti-corruption interventions may be given through (i) financial assistance, such as the European Neighbourhood and Partnership Instrument (ENPI); (ii) technical assistance, such as capacity building and institutional development programmes; (iii) positive conditionality, rewarding committed partner countries with additional funding; (iv) civil society strengthening; (v) political dialogues; (vi) regional cooperation.

1 European Neighbourhood Policy

Background

The European Neighbourhood Policy (ENP) was developed in 2004 with the objective of “avoiding the emergence of new dividing lines between the enlarged

Author(s): Maira Martini, Transparency International, mmartini@hotmail.com

Reviewed by: Marie Chêne, Transparency International, mchene@transparency.org and Robin Hodess, Ph.D, Transparency International, rhodess@transparency.org

Date: 21 September 2012 **Number:** 345

U4 is a web-based resource centre for development practitioners who wish to effectively address corruption challenges in their work. Expert Answers are produced by the U4 Helpdesk – operated by Transparency International – as quick responses to operational and policy questions from U4 Partner Agency staff. Has our work been valuable to you? Please tell us at u4results@cmi.no if this or any other U4 publication has made a difference.

EU and its neighbours and instead strengthening the prosperity, stability, and security of all concerned" (European Commission, 2004).

The ENP supports political and economic reforms in sixteen of Europe's neighbouring countries (Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Morocco, Moldova, Palestinian territory, Syria, Tunisia, and Ukraine) as means of promoting peace, stability, and economic prosperity in the whole region. It makes no promise of future EU membership, although eligible states making progress under the ENP may eventually become stronger candidates.

The European Union sees the ENP as a way to build "upon a mutual commitment to common values: democracy and human rights, rule of law, good governance, market economy principles and sustainable development" (European Commission, 2004). The ENP is also part of the EU's strategy to reinforce security in neighbouring countries.

A new approach to the European neighbourhood policy

In 2011, following an extensive review and consultation with governments and civil society organisations both within the European Union and in the 16 partner countries, the European Commission launched what it described as a [new and ambitious European Neighbourhood Policy](#)¹.

The revision of the ENP was pushed by the enactment of the Lisbon Treaty, which allowed the EU to strengthen the delivery of its foreign policy, by political developments in the Arab world, and by the necessity to deepen the Eastern Partnership² (European Commission, 2012).

As the previous policy, the new one must be based on shared commitments to the universal values of human rights, democracy, and the rule of law. However, this

¹ The final approval of the new policy will only occur once the new regulation for the Neighbourhood is endorsed by the Council, and the discussions on the financing of this instrument (and the whole EU budget) have been finished

² The Eastern Partnership was put forward by the European Commission to enhance EU relations Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. The Partnership aims, among other things, to promote democracy and good governance, strengthen energy security, promote sector reform and environment protection (Please see: http://eeas.europa.eu/eastern/index_en.htm)

new policy seeks to strengthen individual and regional relationships between the EU and its neighbouring countries through the 'more for more' principle: the more a country progress in building and consolidating democracy and respect for the rule of law, the more support it will get from the European Union.

The new approach also gives greater emphasis to mutual accountability and the delivery of more tailored support. (Please see: [A new response to a changing Neighbourhood](#))

Within this framework, the new ENP aims at:

- Supporting progress towards deep democracy;
- Supporting sustainable economic and social development
- Building effective regional partnerships within the European Neighbourhood Policy
- Providing the mechanisms and instruments fit to deliver these objectives

The first objective (i.e. supporting progress towards deep democracy) is the most relevant to the fight against corruption in neighbouring countries. According to the ENP, the EU should adapt levels of its support to partners according to progress on political reforms and building deep democracy. Elements required for building a strong and stable democracy include: free and fair elections, freedom of association, expression and assembly; freedom of the press and media; fight against corruption; security and law enforcement reform (European Commission, 2011).

These elements are also the main benchmarks against which the EU will assess progress and adapt levels of support.

2 European Union strategies and approaches to support neighbouring countries in their fight against corruption

As part of the ENP, EU support to neighbouring countries should be tailored to local circumstances, taking into consideration partners' specificities and their own reform path (European Commission, 2011). Thus, a key element of the Neighbourhood Policy is the bilateral ENP [Action Plan](#) mutually agreed between the

EU and each partner country³. The Action Plan sets out an agenda of political and economic reforms with short and medium-term priorities, and usually covers areas such as political reform, including anti-corruption; justice sector; and economic and social development; among others. Implementation of the Action Plans is monitored through sub-committees and progress reports are prepared and published on the Commission's website.

The Action Plan therefore decides the course of actions to be taken with the support of the EU in a given partner country. The large majority of action plans that have been developed by partner countries and the EU include the fight against corruption and fraud in their priorities for action (Chene, 2008).

By now, the EU has developed several strategies and approaches to support both the implementation of action plans in partner countries and other reforms packages, including anti-corruption. Within this framework, support may be given through (i) financial assistance; (ii) technical assistance; (iii) positive conditionality; (iv) civil society strengthening; (v) political dialogues; (vi) regional cooperation.

Financial assistance

In 2007, the [European Neighbourhood and Partnership Instrument \(ENPI\)](#) was established. The instrument clearly indicates that community assistance shall encourage partner countries' efforts aimed at promoting good governance, socio-economic development; rule of law, strengthening public administration and the impartiality and effectiveness of the judiciary, as well as supporting the fight against corruption and fraud (EU).

The ENPI focuses particularly on supporting the implementation of the ENP Action Plans, and the level of allocation is decided based on each country's progress towards the realisation of agreed objectives. For instance, in the programming exercise of 2007-2010, the Transparency International Corruption Perception Index was among the criteria used to establish ENPI country allocation.

³ The Plan is preceded by a Country Report which covers the political, economic, social and institutional situation in each country as well as the progress in the implementation of bilateral agreements.

The revised ENP established the **European Neighbourhood Instrument (ENI)** that will replace the ENPI from 2014 onwards, providing increased support to the 16 partner countries, and contributing to bring concrete results in areas such as democracy and human rights, the rule of law, good governance, and sustainable development (European Commission, 2011).

The main features of the new instrument will include: (i) application of differentiation and of the 'more for more' principle: special attention will be given to those partner countries which are truly engaged in building a strong and sustainable democracy based on the rule of law. It also provides for a much higher level of differentiation, allowing the EU to adjust its assistance to partner's needs; (ii) reduction of the complexity and length of the programming process, allowing support to partner countries to be delivered faster; (iii) promotion of closer links with EU internal instruments and policies, enabling partner countries to participate in successful EU internal programmes in areas such as youth programmes, and support to Civil Society, while improving the efficiency and simplification of the implementation of assistance (European Commission, 2011).

Technical assistance

The European Union also supports partner countries' efforts in curbing corruption by providing technical assistance. There are currently three different programmes in place, which provide assistance on corruption-related issues, among other things.

Twinning

Twinning is a tool aimed at supporting institutional building. It was first launched in 1998 and it soon became one of the main tools on Institutional Building Accession assistance. From 2004, Twinning was extended to the neighbouring countries ensuring the transfer of European know-how in a practical, hands-on, peer-to-peer manner (European Commission, 2012).

The instrument relies on the cooperation and administrative experience of Member States to achieve concrete operational results for beneficiary countries in areas such as anti-corruption, justice, environment, finance and internal market, among others. The projects are built around the secondment of at least one full-time Member State expert who works in a beneficiary country administration. It may also involve

workshops, training sessions, and counselling sessions (European Commission, 2012).

There are currently more than 230 projects in the pipeline and more than 100 projects were/are being implemented. For instance in the Republic of Moldova, the twinning instrument is being used for strengthening the country's public financial management. In Lebanon, the project aims at modernising the administrative and operational capacity of the Lebanese Tax Administration as to enhance transparency and improve communication with citizens

There are also several projects aimed at supporting partners' anti-corruption efforts currently in the pipeline, such as the Institutional Strengthening of the State Audit (former Chamber of Control) of Georgia, aimed at improving accountability in the use of public funds in the Georgian public administration.

More information on the instrument as well as a list of the implemented/planned projects is available at: http://ec.europa.eu/europeaid/where/neighbourhood/overview/twinning_en.htm

TAIEX

The Technical Assistance and Information Exchange programme (TAIEX) was introduced to neighbouring countries in 2006 to offer short-term assistance and advice as they implement their action plans, particularly in the approximation, application and enforcement of EU legislation (EU InfoCentre website).

Assistance is given through expert missions, workshops or seminars, and study visits and is mainly demand-driven. During 2010 and 2011, a total of 374 events were held in the countries covered by the European Neighbourhood Policy and Russia (ENPI), 20 events were directly related to the fight against corruption, 17 on money laundering and economic crimes, and 73 on organised crime (European Commission, 2011).

SIGMA

The Support for Improvement in Governance and Management (SIGMA) programme is a joint European Commission and OECD initiative. SIGMA started supporting European neighbouring countries in 2008, and activities are currently taking place in Algeria, Armenia, Azerbaijan, Egypt, Georgia, Jordan, Moldova, Morocco, Tunisia and Ukraine.

The programme focuses on strengthening public management in areas such as administrative reform,

public procurement, public sector ethics, anti-corruption, and external and internal financial control.

Assistance is delivered mainly through advice on reforms, design and implementation of tailored development plans; analysis and assessment of legal frameworks, systems, and institutions; trainings; handbooks and other reference material.

More information on the programme is available at: <http://www.oecd.org/site/sigma/partners/>

Positive conditionality

The **Governance Facility** is an additional EU support for neighbouring countries as recognition of their efforts on the area of governance. It is distributed on top of the EU funding amounts already allocated for neighbouring countries. This support aims at acknowledging and supporting the work of those partners who have made most progress in implementing the agreed governance reform agenda set out in their Action Plan.

The assessment included in the Annual ENP Country Progress Report provides the basis for the annual allocation decisions. Within this framework, governance is understood in a very broad sense, covering issues of respect of human rights, rules of law, democratisation, access to independent justice, and transparent and accountable government, among others.

As mentioned, the revision of the European Neighbourhood policy in 2011 was built around the '**more for more**' principle, meaning that only those partners willing to embark on political reforms and to respect the shared universal values of human rights, democracy, and the rule of law will be offered the most rewarding aspects of the EU policy, such as economic integration, mobility of people, as well as greater EU financial assistance (European Commission, 2012).

Progress will be measured through new monitoring reports, but it is still to be seen whether concrete benchmarks will be established. On a positive note, there are plans of involving civil society in partner countries in the production of those reports. Civil society organisations have, nevertheless, pointed to the danger of only using legislative improvements as sticks as they may not translate the country's real situation, for example if implementation and/or enforcement are weak (Transparency International EU, 2011).

Civil society

The first ENP strategy paper makes reference to civil society's support in areas such as culture, local administration, and corruption. However, in practice, CSOs in partner states have received little support through the ENP (Chene, 2008).

According to the new ENP, through a dedicated '**Civil Society Facility**' established in 2011, the EU intends to broaden the engagement with civil society, in particular by (i) supporting CSOs to develop their advocacy capacity; (ii) engaging CSOs in the preparation and monitoring of action plans or similar documents; (iii) enhancing their capacity to monitor reforms (European Commission, 2012).

Another instrument which may help partners in the fight against corruption is the **European Instrument for Democracy and Human Rights (EIDHR)** which provides support to neighbouring countries to ensure media freedom and free access to information (European Commission, 2011).

In addition, in 2011 the main principles for the establishment of the **European Endowment for Democracy** were approved by the Council. The endowment aims at providing rapid response to support political parties, non-registered NGOs, trade unions and other social partners operating in challenging political environment.

Political dialogue

The European Union also makes use of political dialogues as means to promote good governance in partner countries (Kleenmann, 2010). For instance, the **EuroNest Parliamentary Assembly**, which is a joint assembly of the European Parliament and counterparts from Eastern partnership countries, the **Euro-Mediterranean parliamentary Assembly**, and the Joint Committees between the European Parliament and Parliaments of partner countries offer an important platform for discussing policy issues, as well as for supporting reform efforts and monitoring commitments made in each country's action plan, including on anti-corruption-related activities.

Regional cooperation

The Eastern partnership

The Eastern Partnership (EaP) was launched in 2009 as the Eastern dimension of the European

Neighbourhood policy. It sets out an ambitious path for deeper relations with Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine, through both bilateral and multilateral dimensions, as to accelerate political association and further economic integration (European Commission, 2012).

The bilateral dimension may support anti-corruption efforts in eastern neighbouring countries through financial assistance programmes (e.g. the above mentioned ENPI), technical programmes (e.g. twinning), as well as through a specific **Institutional Building (CIB)** programme. The programme consists of two phases: (i) framework documents, setting the key challenges faced by the respective institution and (ii) the institutional reform plans, outlining the priorities and measures to be taken.

The multilateral dimension advances the EaP objectives through four platforms: Platform 1: democracy, good governance, and stability; Platform 2: economic integration and convergence with EU sectoral policies; Platform 3: energy security; and Platform 4: contacts between people.

Platform 1 - democracy, good governance and stability - is the most relevant to anti-corruption. It has defined democratic governance among its core objectives for the years of 2012-2013, including the support to reforms in areas of electoral standards, regulation of the media, Ombudsmen, the fight against corruption, transparent management of public goods and administrative reform.

Training of local authorities in cooperation with the Committee of the Regions under the Conference for Regional and Local Authorities of the Eastern Partnership (CORLEAP), with a view to strengthening administrative capacities and promoting local government reform is also envisaged.

In 2010, a **Panel on Fight against Corruption** was established within the Platform 1 in close cooperation with the Council of Europe. It aims to facilitate the exchange of information and best practices on building integrity, prevention, and enforcement of corruption in line with international standards, in particular those formulated in relevant Council of Europe and UN conventions.

Moreover, in the area of anti-corruption and good governance, several other activities are supported by

the Council of Europe through the “Council of Europe EaP Facility”⁴, such as support electoral standards in EaP countries, review existing systems to fight corruption, and share best practice with a view to increasing overall efficiency in reducing corruption (European Commission, 2012).

Southern Mediterranean partnership

In 2011, following on-going changes in the Southern Mediterranean region, the EU outlined the first elements of a new partnership with partners from the region to support democratic transformation and institution-building, a stronger partnership with civil society groups, and sustainable and inclusive economic development.

Democratic transformation will be supported to Comprehensive Institution-building programmes, similar to those being carried out in the EaP region, to build the capacity of instrumental administrative bodies, such as customs, justice, and enforcement (European Commission, 2011). However, an anti-corruption discourse has been less prominent in the past than in the Eastern partnership.

3 References

Chene, M., 2008. Corruption and the European Neighbourhood Policy (ENP). U4 Anti-Corruption Resource Centre Expert Answer. <http://www.u4.no/publications/corruption-and-the-european-neighbourhood-policy-enp/>

European Commission, 2004. *European Neighbourhood Policy Strategy Paper*. http://ec.europa.eu/world/enp/pdf/strategy/strategy_paper_en.pdf

European Commission and High Representative of the Union for Foreign Affairs and Security Policy Joint Communication, 2012. *Eastern Partnership: A Roadmap to the autumn 2013 Summit*. http://ec.europa.eu/world/enp/docs/2012_enp_pack/e_pship_multilateral_en.pdf

European Commission and High Representative of the Union for Foreign Affairs and Security Policy, 2012. *Delivering on a new European Neighbourhood Policy*. http://ec.europa.eu/world/enp/docs/2012_enp_pack/delivering_new_enp_en.pdf

European Commission and High Representative of the Union for Foreign Affairs and Security Policy Joint Communication, 2011. *A New Response to a Changing Neighbourhood*. http://ec.europa.eu/world/enp/pdf/com_11_303_en.pdf

European Commission and High Representative of the Union for Foreign Affairs and Security Policy Joint Communication, 2012. *Eastern Partnership Roadmap 2012-13: the multilateral dimension*. http://ec.europa.eu/world/enp/docs/2012_enp_pack/e_pship_multilateral_en.pdf

European Commission, 2011. *Proposal for a regulation of the European Parliament and of the Council: establishing a European Neighbourhood Instrument*. http://ec.europa.eu/world/enp/docs/2011_prop_eu_neighbourhood_instrument_reg_en.pdf

European Court of Auditors, 2011. *Is the new European neighbourhood and Partnership Instrument Successfully launched and achieving results in the Southern Caucasus?* ECA Special Report n. 13.

European Commission, 2011. *EU Cooperation for a Successful Eastern Partnership*. http://ec.europa.eu/europeaid/where/neighbourhood/eastern_partnership/documents/eastern_partnership_flyer_final_en.pdf

Eastern Partnership, 2012. *Platform 1: Democracy, Good governance and Stability – Core objectives and work programme 2012-2013*. http://eeas.europa.eu/eastern/platforms/2012_2013/docs/work_programme_2012_13_platform1_en.pdf

Eastern Partnership Community, website. <http://www.easternpartnership.org/content/eastern-partnership-glance>.

EU Neighbourhood Info Centre, website. <http://www.enpi-info.eu/index.php>.

Kleenmann, K., 2010. *The European Neighbourhood Policy – A reality check. How effective is the European Neighbouring Policy in promoting good governance*. Hertie School of Governance. http://www.againstcorruption.eu/uploads/rapoarte_finale_PDF/The-%20European-Neighbourhood-Policy-A-Reality-Check.pdf

Popescu, N., 2011. *More for more in the Neighbourhood*. EUObserver Blog. <http://blogs.euobserver.com/popescu/2011/04/04/more-for-more-in-the-neighbourhood/>

Transparency International EU, 2011. *What's going on in the EU hood? Aid linked to democratic reform*. Space for transparency. <http://blog.transparency.org/2011/05/25/what%E2%80%99s-going-on-in-the-eu-hood-aid-linked-to-democratic-reform/>

Transparency International EU, 2012. EU Neighbourhood reports move in the right direction. Transparency International Liaison Office to the EU.

⁴ The Council of Europe Facility contains four components: 1) Electoral Standards; 2) Support to the Judiciary and respect for Human Rights in the delivery of Criminal Justice; 3) Support measures against serious forms of Cybercrime; 4) Good governance and Fight against Corruption.