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**JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL,
THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE
COMMITTEE OF THE REGIONS**

Review of the European Neighbourhood Policy

{SWD(2015) 500 final}

I. INTRODUCTION

The European Neighbourhood Policy (ENP) was launched in 2004, to help the EU support and foster stability, security and prosperity in the countries closest to its borders. The EU remains committed to these goals, but events of recent years have demonstrated the need for a new approach, a re-prioritisation and an introduction of new ways of working.

In the past 12 years, there have been radical changes in a large number of the countries that surround the EU. There have been some positive developments: local actors took action to initiate reforms to obtain rule of law, social justice, and increased accountability, as exemplified by the Nobel Peace Prize awarded to the Tunisian Quartet. At the same time, conflict, rising extremism and terrorism, human rights violations and other challenges to international law, and economic upheaval have resulted in major refugee flows. These have left their marks across North Africa and the Middle East, with the aftermath of the Arab Uprisings and the rise of ISIL/Da'esh. In the East, an increasingly assertive Russian foreign policy has resulted in the violation of Ukrainian sovereignty, independence and territorial integrity. Protracted conflicts continue to hamper development in the region.

In the meantime, the EU's own interdependence with its neighbours has been placed in sharp focus. Growing numbers of refugees are arriving at the European Union's borders hoping to find a safer future. Energy crises have underlined the EU's need to work with neighbours on energy security, including diversification of energy sources, routes and suppliers. There have been acts of terror affecting the EU and the neighbourhood, most recently the heinous terrorist attacks in Paris on 13th November.

The purpose of the current review of the ENP is to propose how the EU and its neighbours can build more effective partnerships in the neighbourhood. In doing so, the EU will pursue its interests which include the promotion of universal values. The EU's own stability is built on democracy, human rights and the rule of law and economic openness and the new ENP will take stabilisation as its main political priority in this mandate.

Differentiation and greater mutual ownership will be the hallmark of the new ENP, recognising that not all partners aspire to EU rules and standards, and reflecting the wishes of each country concerning the nature and focus of its partnership with the EU.

The EU cannot alone solve the many challenges of the region, and there are limits to its leverage, but the new ENP will play its part in helping to create the conditions for positive development.

The review, proposed by President Juncker and requested by EU Member States, has brought over 250 responses to the public consultation from Member States, partner governments, EU institutions, international organisations, social partners, civil society, business, think tanks, academia and members of the public, which largely confirm the need for change in the ENP both in substance and in methodology.

The public consultation has demonstrated that while the offer of a closer relationship with the EU for those countries which have undertaken governance reforms has encouraged change in some countries, current practice and policy has been regarded by other partners as too

prescriptive, and as not sufficiently reflecting their respective aspirations. The consultation has further indicated that ownership by both partners and EU Member States needs to be stepped up; that cooperation should be given a tighter, more relevant focus; and that greater flexibility must be sought to enable the EU and its partners to respond to ever changing needs and circumstances.

More effective ways will be sought to promote democratic, accountable and good governance, as well as to promote justice reform, where there is a shared commitment to the rule of law, and fundamental rights. Open markets and growth, inclusive economic development, and in particular the prospects for youth, is highlighted as a key to stabilising societies in the neighbourhood. There will be greater attention to the energy security and climate action both of the EU and of the partners themselves.

There will be a new focus on stepping up work with our partners on security sector reform, conflict prevention, counter-terrorism and anti-radicalisation policies, in full compliance with international human rights law. More than ever after the November 13th terrorist attacks in Paris, intensified cooperation with our neighbours is needed in these areas. Safe and legal mobility and tackling irregular migration, human trafficking and smuggling are also priorities.

The new ENP will seek to deploy the available instruments and resources in a more coherent and flexible manner. Additionally, it will be important to seek a deeper involvement of EU Member States in re-energising work with our neighbours. Equally, the aim will be a deeper engagement with civil society and social partners.

On a regional level, the Eastern Partnership will be further strengthened in line with commitments at the Riga Summit in 2015. The Union for the Mediterranean can play an enhanced role in supporting cooperation between southern neighbours. The new ENP will now seek to involve other regional actors, beyond the neighbourhood, where appropriate, in addressing regional challenges.

The adoption by the UN General Assembly of the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs) and the EU's strong support for its implementation have provided a new transformative political framework in which to engage with partners. Furthermore, this review is being closely coordinated as part of the broader work on the EU Global Strategy on Foreign and Security Policy.

With these and other measures, the EU will seek to reinforce the ENP as a framework for relations with all partners in the future.

II. STABILISING THE NEIGHBOURHOOD

The ENP is a long-term engagement with the EU's neighbours, but it also needs to take account of the most pressing needs. In the next three to five years, the most urgent challenge in many parts of the neighbourhood is stabilisation. The causes of instability often lie outside the security domain alone. The EU's approach will seek to comprehensively address sources of instability across sectors. Poverty, inequality, a perceived sense of injustice, corruption, weak economic and social development and lack of opportunity, particularly for young

people, can be roots of instability, increasing vulnerability to radicalisation. The new ENP will make a determined effort to support economies and improve prospects for the local population. The policy should help make partner countries places where people want to build their future, and help tackle uncontrolled movement of people.

During the public consultation, a large number of stakeholders including many partner countries also strongly expressed the view that the EU should increase its engagement with partners in the security sector. As in other areas, the revised ENP will offer a tailor-made approach to cooperating on security-related matters, and will actively ensure that our overall engagement is conflict-sensitive, and fully compliant with international law, including international human rights law. The new ENP aims to work on conflict prevention through early warning, coupled with early preventive measures, and enhance partners' capacity in this regard. The measures set out in this Joint Communication seek to offer ways to strengthen the resilience of the EU's partners in the face of external pressures and their ability to make their own sovereign choices.

III. STRONGER NEIGHBOURHOOD, STRONGER PARTNERSHIPS

The consultation asked far-reaching questions about whether and in what form the ENP should continue. There is consensus that:

- *Our partners have different aspirations: our relations should reflect this more fully
- *The ENP should reflect EU interests and the interests of our partners
- *Partnerships should be more focused on fewer priorities
- *There should be greater involvement of Member States in the ENP
- *Ownership by the partners should be enhanced

Most interlocutors in the consultation on the ENP wished to see some form of a common policy framework for the Eastern and Southern neighbourhood. However there was a clear demand for change, with more tailor-made, more differentiated partnerships between the EU and each of its neighbouring partners to reflect different ambitions, abilities and interests.

Where a partner wishes to pursue deeper relations with the EU based on shared values, work will develop on the existing basis. Georgia, the Republic of Moldova, and Ukraine have chosen the path of political association and economic integration with the EU through new generation Association Agreements/Deep and Comprehensive Free Trade Areas (AA/DCFTA); Morocco benefits from an advanced status in its relations with the EU and Tunisia has a privileged partnership. The EU will work with those partners to further develop their relations and to maximise the benefits for both parties to those agreements. To underpin these partnerships, the EU should increase opportunities for political dialogue at ministerial level with these partners.

The EU proposes to start a new phase of engagement with partners in 2016, consulting on the future nature and focus of the partnership. The expectation is that different patterns of relations will emerge, allowing a greater sense of ownership by both sides. The EU is ready to discuss the possibility to jointly set new partnership priorities, which would focus each relationship more clearly on commonly identified shared interests.

The incentive-based approach ("More for More") has been successful in supporting reforms in the fields of good governance, democracy, the rule of law and human rights, where there is a commitment by partners to such reforms. However, it has not proven a sufficiently strong incentive to create a commitment to reform, where there is not the political will. In these cases, the EU will explore more effective ways to make its case for fundamental reforms with partners, including through engagement with civil, economic and social actors.

There will no longer be a single set of progress reports on all countries simultaneously. Instead the EU will seek to develop a new style of assessment, focusing specifically on meeting the goals agreed with partners. These reports will be timed to provide the basis for a political exchange of views in the relevant high-level meetings with partner countries, such as Association/Cooperation Councils. For those partners who prefer to focus on a more limited number of strategic priorities, the reporting framework will be adjusted to reflect the new focus. In addition to the country-specific reporting, regular reports will track developments in the neighbourhood. These reports will contain the elements required under the Regulation on the European Neighbourhood Instrument, including information on fundamental freedoms, the rule of law, gender equality and human rights issues.

The new ENP should be the focus for a more coherent effort by the EU and the Member States. The EU is more influential when united in a common approach and communicating a single message. It offers partners more when using its resources in a strategic and well-coordinated way. Therefore, alongside discussions with partners, there will be a greater role for the Council and Member States in identifying priorities and in supporting their implementation. This will include joint programming. Member States will be invited to play the role of lead partner for certain initiatives or to accompany certain reform efforts.

The Commission and the High Representative will keep the European Parliament, the European Economic and Social Committee and the Committee of the Regions informed regularly about the implementation of the new ENP.

IV. GOOD GOVERNANCE, DEMOCRACY, RULE OF LAW, AND HUMAN RIGHTS

The consultation confirmed the very strongly held view that the EU should uphold and promote universal values through the ENP. It equally confirmed that the methods used currently are regarded by some as ineffective and by others as obstacles to equal partnership.

*The EU is committed to promoting good governance, democracy, rule of law and human rights

*The ENP will seek more effective ways to promote reforms with each partner in mutually agreed formats

*The ENP will do more to support civil society

Ensuring the rule of law and independent and effective justice systems will remain priorities for the EU. They are crucial to social and economic stability, to create trust in state institutions and to provide legal certainty. An independent, transparent and impartial judicial system free from political influence which guarantees equal access to justice, protection of

human rights, gender equality and non-discrimination, and full application of the law will continue to be a goal of the EU with all its partners. Accountable public administration at central and local government level is key to democratic governance and economic development. Therefore public administration reform is essential. This includes strengthening democratic and independent institutions; developing local and regional authorities; depoliticising the civil service, developing eGovernment and increasing institutional transparency and accountability. The EU will also support work to improve partner's capacity in policy development, service delivery and management of public finances, and support the work of national parliaments.

Effective anti-corruption measures, mostly on the preventive side, should be implemented in relation to large-scale public procurement, (re)privatisations, reform of state-owned/controlled companies or similar areas where vulnerabilities to corruption are high, including by supporting the key role of civil society.

The EU will continue to work with partner governments, civil society and citizens on human rights and democracy related issues, including electoral processes, as laid down in the Treaty on European Union and the EU's Action Plan on Human Rights and Democracy. We will promote and defend the universality and indivisibility of all human rights both at home and in partnerships with countries from all regions.

The EU will engage with all partners in an inclusive dialogue on human rights and democracy issues, including on areas where experiences may differ. Human rights and democracy will continue to be an agenda item in our political dialogue with all partners in mutually agreed formats. Support will be provided to civil society fora.

Particular attention will be paid to implementing the EU Gender Action Plan 2016-2020¹, which should inform ENI programming, and to supporting ENP partners in delivering on their commitments to gender equality and girls' and women's empowerment, in line also with the universal 2030 Agenda. Emphasis will be given to ensuring girl's and women's physical and psychological integrity, promoting the social and economic rights and empowerment of women and girls, their access to justice, education, health care and other social services, strengthening their voice and political participation and shifting the institutional culture to deliver on these commitments.

The EU will look to support citizens' ability to hold governments accountable and will work to improve the pluralism, independence, and professionalism of the local media, helping it to act as a forum for public debate and as the catalyst for change in partner countries. An open and free internet should also be promoted.

Sub-national, national and intra-regional civil society should be supported further, both through direct means and through facilitating other organisations' involvement. The European Endowment for Democracy can play an important role in this regard. The EU should support developing the capacities of civil society professionals and leadership in the neighbourhood,

¹ 13201/15 Council Conclusions 26 October 2015

using programmes such as Civil Society fellowships, recognising the important role of young people in that regard.

In many neighbourhood countries ethnic, religious and cultural identities and traditions play a crucial role as regards the way society functions. During the public consultation, stakeholders referred to these factors and asked the EU to allow more co-ownership. The EU should therefore expand outreach to relevant members of civil society in its broadest sense as well as social partners.

V. PROPOSED JOINT PRIORITIES FOR COOPERATION

V.1 ECONOMIC DEVELOPMENT FOR STABILISATION

Partners responding to the consultation signalled strongly their interest in the EU as a partner for economic development and modernisation, investment and for developing the employment options for youth. This is linked to the continuing strong interest in mobility and the possibility to travel to and work in the EU.

Economic and social development should be at the heart of the EU's contribution to stabilising the neighbourhood and building partnerships.

Enhancing economic governance, strengthening fiscal stability and supporting structural reforms for improved competitiveness and inclusive growth and social development, are keys to developing a country's economic resilience. Macroeconomic stability and economic reform in the neighbourhood are a priority and the EU will continue to provide support notably through Macro-Financial Assistance operations. The EU should promote capacity building and new opportunities for training to help develop a new generation of public administrators capable of delivering effective and inclusive economic management and sustainable social outcomes. The modernisation of the economy, fostering innovation, the creation of jobs and boosting skills and promoting economic, social and territorial cohesion are other key aspects.

Some new, but also many existing instruments can be deployed more effectively to help create better conditions for jobs and growth. The EU should step up cooperation with the International Financial Institutions (IFIs), notably the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the World Bank and the International Monetary Fund (IMF) and relevant international organisations on private sector development and initiatives that promote inclusive growth and employment and improve living conditions for citizens. In addition actions to strengthen partnerships with the private sector should be promoted, and the use of innovative approaches such as blending grants and loans as an important way of leveraging additional resources and increasing the impact of EU aid should be boosted.

TRADE

The consultation showed that market access remains key, but reflected a feeling that greater flexibility is needed on trade agreements

*Aim for creation of an economic area with those who enter DCFTA

*Lighter, more flexible trade agreements for those who do not

A key instrument in promoting prosperity in the ENP so far has been granting access to the EU market. Some neighbours have chosen a path of close economic integration with the EU. Three agreements on a Deep and Comprehensive Free Trade Area (DCFTA) have been concluded with Eastern partners (with Ukraine, the Republic of Moldova and Georgia) as part of Association Agreements (AAs). In the Southern neighbourhood, one DCFTA is under negotiation (with Morocco), while negotiations with Tunisia have just been launched. The EU will support the on-going negotiations with Southern Mediterranean partners, including through a differentiated, progressive and asymmetric approach based on mutual priorities. The EU will support the neighbours' domestic reforms conducive to the implementation of AA/DCFTAs and other bilateral agreements.

Full and effective implementation of these agreements is a key priority for the AA/DCFTA partners. It will foster reforms and sustainable growth. As set out at the Eastern Partnership summits in Vilnius in 2013 and Riga in 2015, the implementation of AA/DCFTAs, accompanied by reforms, will result in the partners' comprehensive approximation with international standards and EU legislation and standards. This will lead to the gradual economic integration of partners in the EU internal market and therefore to the creation of an economic area. Such an ambitious long-term vision for economic integration between partners concerned and the EU is desirable. It will also contribute to the long-term goal of a wider area of economic prosperity based on World Trade Organisation (WTO) rules and sovereign choices throughout Europe and beyond.

However, a number of partners do not currently wish to pursue such a model. For those who do not wish to engage in negotiations for a DCFTA, we will seek to jointly determine attractive and realistic alternatives to promote integration and strengthen trade and investment relations that reflect mutual interests. The EU will offer more flexibility where possible, with lighter options, going beyond existing preferential or non-preferential trade agreements for those who choose not to engage across all sectors at the outset.

As an example, the possibility to sign Agreements on Conformity Assessment and Acceptance (ACAAs), which allow free movement of industrial products in specific sectors, is foreseen in the AA/DCFTAs. ACAAs might also be suitable for other ENP countries whose current contractual relationship with the EU envisages approximation in the area of technical regulations, standards and conformity assessment.

The EU remains committed to encouraging trade between the EU, ENP partner countries and their trading partners.

ECONOMIC MODERNISATION AND ENTREPRENEURSHIP

*Support reforms that lead to better business and investor environment

*Support growth through support to SMEs

*Support growth through modernisation of existing sectors and diversification into new ones

The EU will support partners to modernise their economies for smart and sustainable growth by engaging in economic dialogue, policy advice and the mobilisation of financial assistance. It will promote a better business environment and reforms that allow greater investment, and more and better jobs. It will also focus on supporting the small and medium enterprises

(SME) sector which is a primary creator of employment (and is already supported under the DCFTA facility, notably by working to improve access to finance and information. Reforms to underpin economic and social development (such as skills development, social protection, education, water and health) should be encouraged and supported.

Research, science and innovation are crucial to create decent and sustainable jobs in the neighbourhood so the modernisation and diversification of economies should be encouraged by facilitating increased participation of neighbourhood countries in EU initiatives, such as the Enterprise Europe Network, Horizon 2020 and COSME EU programmes, connection to GÉANT and by promoting the concept of 'smart specialisation' as developed in the EU's regional policy for the design of research and innovation strategies. The development of a Common Knowledge and Innovation Space between the EU and its Eastern and Southern neighbours should be fostered, using scientific evidence to create knowledge-based jobs and attract investors to innovative businesses in the EU and the neighbourhood. The EU will continue to align and integrate joint research and innovation priorities through joint programmes such as the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) and neighbours' association to Horizon 2020.

Agriculture is a major source of jobs in many partner countries and the EU should continue to support sustainable and inclusive policies and investment in modernisation of the sector, and diversification to other income creating activities in rural areas where necessary. The EU will support a resource-efficient economy by addressing environmental challenges such as degradation of and competition for natural resources. Similarly, the EU should also contribute to developing maritime economies, while working together towards a common vision for the sustainable use of shared seas.

Support for the digital economy should be stepped up, to harmonise the digital environments between the EU and its neighbours. This will create jobs, growth and innovation, particularly benefiting the young in terms of opportunities for education and employment, locally or at a distance, and for starting up low initial capital businesses.

EMPLOYMENT AND EMPLOYABILITY: FOCUS ON YOUTH

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| <ul style="list-style-type: none">*Focus on jobs and skills, particularly of the young*Step up support for Erasmus +*New emphasis on Vocational Training*New incentives for brain circulation |
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The EU can help improve the employability of the local workforce, and help to focus efforts on the development of skills and competences and creation of opportunities particularly for young men and women. This should range from support for fostering out-of-school education ('non-formal learning') to facilitating access to primary and secondary education, and fighting illiteracy, to ensuring the development of skills, apprenticeships and work-based training. The EU will significantly step up the scope for engagement of neighbourhood partners in Erasmus +, including a higher level of funding. Particular attention should also be paid to facilitate the participation in Erasmus + of higher education institutions from conflict regions.

The EU will foster mobility in vocational education and training, in order to be able to give greater support in this crucial area. The EU will also support the mobility of European and neighbouring countries' trainees seeking to have a work experience abroad.

The EU will consult partners on the establishment of a panel on youth employment and employability within the Eastern Partnership. The EU will also encourage exchanges on education, training and youth policies between the Southern Mediterranean countries within existing fora for cooperation in the region. The EU will invite the European Training Foundation to play an active role in this context.

The EU will support policies towards matching skills and labour market needs, improving academia-industry collaboration and development of students' employability skills for knowledge-based and sustainable jobs and will promote incentive schemes for people who have studied or acquired skills in the EU to return to their home country.

PARTNERSHIPS FOR GROWTH

- *Develop partnerships to support investment and economic modernisation
- *Greater involvement of the private sector to boost investment and reform
- *New alliances of private sector, EU, Member States and IFIs supporting strategies for growth, jobs or youth

With those neighbours who wish, the EU will develop cross-cutting partnerships to support growth, employment and economic modernisation. This will bring together public and private sector, EU and interested Member States, IFIs and other partners that can help the country develop in line with a Smart Specialisation strategy.

In particular, the EU will encourage entrepreneurs to engage directly with partners in the Neighbourhood. Economic diplomacy missions to ENP partners need to be undertaken more systematically mobilising European business more effectively to promote trade and investment in the Neighbourhood. In addition such missions will be used to provide neighbours with appropriate partners to lend hands-on support on particular economic development challenges, including strengthening their skills base, entrepreneurship, and diversifying their economic activity.

TRANSPORT AND CONNECTIVITY

- Support for greater connectivity as a key area for co-operation is confirmed by the consultation
- *Extend core TEN-T networks to the Eastern partners
 - *Identify regional networks in the south to be included in the TEN-T guidelines

Cooperation on transport connectivity and telecommunications contributes to the economic development of partners and can be a means to foster dialogue and a starting point for regional co-operation between them. In the East, a safe and sustainable transport system, connected to the Trans-European Transport Network (TEN-T), is the key to promoting economic growth between the neighbourhood partners and the EU. The EU should therefore extend the core TEN-T to the Eastern partners and together with the IFIs and other partners promote the necessary investment in this extended network.

In the South, regulatory convergence and harmonisation should be sought in line with the Regional Transport Action Plan 2014-2020 addressing maritime, aviation, rail, road and urban transport. At the same time the EU should identify priority regional infrastructure projects and prepare the indicative maps of the future Trans-Mediterranean Transport Network.

A Common Aviation Area will be promoted by implementing agreements signed so far with Georgia, Israel, Jordan, Moldova, and Morocco (and close to finalisation with Ukraine) and negotiating new agreements. The EU should also help its partners' ability to benefit from the Motorways of the Seas with improved port infrastructure and related services.

Furthermore, the EU will pursue convergence on telecommunications with our partners through regional groups of regulators in the East and South respectively and further space cooperation with interested partners.

ENERGY SECURITY AND CLIMATE ACTION

The consultation revealed strong support to give energy cooperation a greater place in the ENP, both as a security measure (energy sovereignty) and as a means to sustainable economic development

*Support greater energy independence through support to diversification of energy sources, better cooperation on energy efficiency, and transition to the low carbon economy

*New framework for cooperation with partners beyond the neighbourhood

With the goal of building a resilient Energy Union, with an ambitious climate policy at its core, the EU is committed to strengthen its energy dialogue with neighbourhood countries in energy security, energy market reforms and the promotion of sustainable energy. The EU strongly relies on its neighbourhood for safe, secure and predictable generation and transportation of energy and therefore needs to strengthen its dialogue with partner countries on energy security and sustainable production. Equally, energy is key to the stable development and resilience of the partners themselves.

Some of our partners have significant or potentially significant income from their energy resources or from their position as transit countries. However all partners' economic stability depends to a greater or lesser extent on a sustainable balance between their energy consumption and the profile of their energy supplies or production. Some partner countries in the East are vulnerable to over-dependence on specific suppliers and therefore have a vital interest in increasing sovereignty by diversifying their sources of supply. The EU will continue to support such efforts. Others in the South also face challenges in managing their rising energy demand.

Initiatives such as establishing gas reverse flow capacity to Ukraine, completing the Southern Gas Corridor and making best use of the new energy discoveries while assessing and preventing potential risks are important to achieving pan-European energy security.

Increased cooperation on energy efficiency, renewable energy sources, on demand management and on action to mitigate and adapt to climate change will help to develop economies that are more efficient, competitive, resilient and stable while increasing energy sovereignty and reducing emissions. The promotion of the full implementation of the expected Paris Climate Agreement and its subsequent developments including in particular

the commitments by our partners are important to meet these goals. The EU will work to share best practice and undertake joint research, including on the phasing out of subsidies for fossil fuels, introducing robust emissions monitoring, reporting and verification frameworks, including in the longer term, emission trading systems, which could be linked to the EU emissions trading system as they become ready.

To increase the opportunities for investment and trade, the EU will enhance full energy market integration with the Republic of Moldova, Ukraine, and Georgia through the Energy Community. The EU should also pursue regulatory approximation with other partners on sectors of mutual interest. As regards the Southern Neighbourhood partner countries, the EU will offer cooperation, on a tailored basis, to promote the production, distribution, trade and efficient consumption of energy. As a first step, the EU will work with interested partners and the International Energy Agency to establish comprehensive country energy policy reviews, including an inventory of barriers to energy investments and the identification of the appropriate reforms.

The EU will support sub-regional cooperation as appropriate in the Eastern Mediterranean, the Maghreb and the Southern Caucasus. Beyond the neighbourhood, a new Thematic Framework should be used to develop work with partners such as Turkey, Kazakhstan, Turkmenistan, and potentially Iraq and Iran. This will facilitate trans-regional work and investment on these issues, building on successful initiatives such as INOGATE. When the conditions are right, the EU could consider reframing the energy relationship with Russia, on the basis of international and European law.

V. 2. THE SECURITY DIMENSION

The consultation showed a very widespread wish to see security given a stronger place in the ENP, in order to make partner countries more resilient against threats they currently experience. The new focus on security will open up a wide range of new areas of cooperation under ENP. Cooperation could include security sector reform, border protection, tackling terrorism and radicalisation, and crisis management.

In June 2015, the European Council restated the need to empower and enable partners to prevent and manage crises, including through concrete projects of capacity building with a flexible geographic scope. Given the specific security challenges partners are facing, the EU should focus on enhancing cooperation on security sector reform. Building further on the European Agenda on Security,² the new ENP will prioritise tackling terrorism and preventing radicalisation; disrupting serious and organised cross-border crime and corruption; improving judicial cooperation in criminal matters, and fighting cybercrime, in full compliance with the rule of law and international law, including international human rights law.

Proactive engagement with partners in the neighbourhood is necessary to address root causes of cross-border threats and to contribute to securing common borders. Together with

² Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions : the European Agenda on Security, COM (2015) 185 final

interested partner countries, information-sharing and capacity building to tackle cross-border threats should be stepped up. In addition, the new ENP will tackle cross-cutting migration related security challenges, such as smuggling of migrants, trafficking in human beings, social cohesion and border protection/management.

Further efforts will be made to mainstream and strengthen the implementation of UNSCR 1325 on women, peace and security, its follow-up resolutions and a gender perspective in Common Security and Defence Policy planning, implementation and review.

Security sector reform: the EU intends to step up outreach to partner countries' authorities who deal with matters related to security. Interested partner countries should be supported in their reform of the civilian and military security. Such cooperation may include strategic and policy advice, institution and capacity building activities, dialogues with civil society, and support for community security programmes.

Tackling terrorism and preventing radicalisation: The threat of terrorism and radicalisation is affecting both Europe and its neighbours. The EU will therefore step up work with partners on counter-terrorism, including preventing radicalisation, countering violent extremism, supporting criminal justice responses to counter-terrorism, and countering and suppressing the financing of terrorism via appropriate anti-money laundering frameworks. Involving civil society, especially youth organisations, in preventing radicalisation will be crucial. The existing Radicalisation Awareness Network (RAN) and its recently established Centre of Excellence will be a crucial platform for exchange and cooperation. Tackling broader issues such as ineffective justice, gender inequality, hate speech, youth unemployment, and illiteracy will all also be part of a wider de-radicalisation effort. Cross-cultural dialogue, such as that promoted by the Anna Lindh foundation, will be key.

Disrupting organised crime: organised crime and corruption can threaten stability in the wider region. The EU should increase support to partner countries in their fight against serious and organised international crime, including in the fight against migrant smuggling and trafficking of human beings and dismantling criminal networks through promoting the use of financial investigations as a complement to purely criminal law tools. To this end, European Agenda on Security³ committed to extending the work of the 'Policy Cycle' (on serious and organised crime) to neighbouring countries. The EU should also explore the possibility of involving partner countries in existing financial investigation networks (such as networks of Financial Intelligence Units). Furthermore, the EU will continue to work with partner countries on countering the illicit trafficking in human beings, the illicit trafficking of Small Arms and Light Weapons and drug cooperation and support them on the implementation of integrated and balanced national drug policies. Where necessary, the EU will seek to improve the legal framework for judicial and police cooperation with partner countries and work towards its implementation. With Interpol, the need should be examined to build further law enforcement capacity in neighbouring countries and work on facilitating information exchanges with EU Member States and Europol. With Eurojust, the EU will

³The European Agenda on Security ([COM\(2015\)185 final](#))

promote a stronger engagement and cooperation in order to ease judicial cooperation on all serious crimes investigations.

Fighting cybercrime: The EU Cybersecurity Strategy⁴ provides the operational framework for further engagement with partners in the neighbourhood. The EU should offer assistance for capacity building on cybersecurity and resilient information infrastructures, on the fight against cybercrime and cyber terrorism, including through threat analysis, fostering specialisation in law enforcement, judicial training and supporting the creation of relevant national policies, strategies and institutions in third countries. The EU will continue to promote the ratification and implementation of the Budapest Convention on cybercrime with its partners in the neighbourhood. The Convention provides a model for drafting national cybercrime legislation and a basis for international co-operation in this field.

Chemical, Biological, Radiological, and Nuclear Risk Mitigation: help partners improve their preparedness and response capacity, including through the EU-funded Centres of Excellence.

Common Security and Defence Policy (CSDP) cooperation and dealing with protracted conflicts: Structures set up under the EU's security and defence architecture can be a forum for an exchange of best practice, for cooperation on common objectives, and for capacity building. Thus, a new impetus will be given to cooperation on matters related to the CSDP. In order to foster a spirit of partnership and of shared responsibilities – on a case by case basis – the participation of partner countries should be promoted in CSDP missions and operations, EU Battlegroups, and their association to relevant programmes and agencies such as the European Defence Agency and the European Security and Defence College. The EU will seek to establish security and defence dialogues with partner countries and facilitate the participation of officials and officers from partner countries in courses at relevant defence colleges. In line with the EU's Comprehensive approach to external conflict and crises, all means available will be used, including – where necessary, CSDP missions and operations or the EU's Special Representatives – to support the management of crises and the settlement of protracted conflicts in the neighbourhood.

Crisis management and response: The EU should build up partners' early warning, prevention and preparedness capacity offering close partnerships in civil protection and cooperation with the EU's civil protection mechanism. The EU will also put stronger emphasis on health security aspects by strengthening country capacities to respond effectively to health threats including communicable diseases. Subject to an ad hoc decision, access to imagery provided by the EU Satellite Centre could also be considered in light of crisis response needs. Flexibility in programming and the use of ENP and other financial instruments will be crucial in this approach. Therefore close coordination will be ensured between the security work done under the ENI with wider CFSP/CSDP activities, with the work of EU Member States bilaterally and with relevant international organisations. Synergies with other instruments should also be explored together with links to work on

⁴ Cybersecurity Strategy of the European Union: An Open, Safe and Secure Cyberspace (JOIN(2013) 1 final)

principled and needs-based humanitarian aid, as well as resilience and stabilisation. In line with the comprehensive approach, involvement of EU Member States and EU agencies will be key both in the design and implementation of support in the security sector.

V. 3. MIGRATION AND MOBILITY

The strong interest of partners in greater mobility towards the EU is confirmed by the consultation, which took place at a moment of major flows of migrants and refugees often transiting neighbouring countries. The ENP will reflect an intensified cooperation on both regular and irregular migration

- * Increase cooperation with partners beyond the neighbourhood
- * Increase support for those receiving and assisting refugees and IDPs
- * Increase cooperation on root causes of irregular migration and forced displacement
- * Effective cooperation on returns and readmission and sustainable reintegration

But also

- * Better identification of skills gaps in EU to facilitate mutually beneficial legal migration;
- * Better support for circular migration
- * Encourage recognition of qualifications
- * Launch dialogues on academic mobility

As the recent refugee crisis shows, addressing the root causes of irregular migration and forced displacement is central to stabilisation in the Neighbourhood.

The European Agenda on Migration; European Council conclusions of 25-26 June and 15-16 October; the High-Level Conference on the Eastern Mediterranean/Western Balkans Route of 8 October and the Valletta Summit on Migration of 11-12 November 2015 – all confirm the new political impetus for deeper cooperation with ENP partners.

Develop partnerships based on an integrated approach

Cooperation with partners on migration and mobility has deepened over the last years through several far-reaching visa dialogues and a number of Mobility Partnerships. Dialogues have also been established with other partners both in the East and in the South. The EU is committed to reinforcing cooperation with neighbours and beyond – not least with the Western Balkans, Turkey, countries of the wider Middle East, the Sahel region and the Horn of Africa. In order to foster reforms and reinforce the commitment of our partner countries to work in closer partnership, differentiation between partner countries will be developed, working more closely on visa and mobility issues with those that are willing to engage with the EU, including visa liberalisation and facilitation dialogues with partners.

There are already ongoing regional dialogues such as the Rabat and Khartoum processes in the South and the Budapest and Prague processes in the East as well as on the Eastern Partnership panel on Migration and Asylum for intra-regional cooperation and programming. A Thematic Framework could be developed to enable more effective cooperation on migration with countries outside the neighbourhood.

Promote mutually-beneficial migration and mobility

Alongside efforts to tackle irregular migration, the EU continues to believe that mobility and people-to-people contacts should be promoted. The EU intends to promote better tools in order to identify skill gaps in the European labour market and encourage the recognition of qualifications of third country nationals working in the EU.

The EU will strengthen its legal framework and promote its full and tailored implementation taking into account the specific situation of ENP partners.

In March 2016, the Commission intends to present a revision of the EU Blue Card Directive, to improve and further facilitate the entry and residence of highly skilled third-country nationals in the EU. The EU should facilitate the extension of academic mobility and improve the legal framework for conditions of entry and residence in the EU applicable to ENP nationals for the purpose of research, studies, pupil exchange, training and voluntary service.

The EU will cooperate with ENP countries to encourage and make progress on facilitating recognition of skills and qualifications.

In cooperation with Member States, we will promote a skilled labour migration scheme, including the possibility of offering preferential schemes for nationals of the ENP countries willing to engage on further cooperation on migration with the EU.

A platform of dialogue with businesses, trade unions and social partners will be established in order to better assess labour market needs and the role that migration could play in that respect. In the longer term a new approach to legal migration would be beneficial, building on the example of "expression of interest" systems which allow employers to identify priority applicants from a pool of pre-selected candidates.

In the same vein, more effective ways of building links with diaspora communities, of reinforcing regional mobility schemes, including South-South mobility, and of working on circular migration will be sought, including through identification of schemes in relevant sectors (e.g. agriculture, or tourism) in line with the 2014 Seasonal Workers Directive. The EU should also promote migration schemes in small and medium size enterprises and training programmes for entrepreneurs in European countries.

The EU should also look at allowing people temporarily residing in the EU to engage in a business, professional or other activity in their country of origin, while maintaining their main residence in one of the Member States. Issues related to efficient transfer of remittances should also be addressed.

We will create a new start-up (Startback) fund to provide capital to promote "brain circulation". This Fund will support migrants returning to their countries of origin after their stay in the European Union, so they can reintegrate and contribute, with the acquired skills and knowledge, to local economic and societal development.

The EU will continue to foster a realistic and fair narrative on migration and to combat vigorously all forms and manifestations of racism and discrimination promoting intercultural dialogue, cultural diversity and mutual understanding.

Ensuring protection for those in need

The EU's wider neighbourhood contains several major protracted crises and hosts close to 40% of the world's refugees and internally displaced persons. Therefore, the EU needs a more integrated and more comprehensive response promoting close linkages between short-term humanitarian needs and longer-term development and security responses.

The EU should assist partner countries in developing their asylum and protection systems by supporting those displaced by conflicts, with particular consideration to unaccompanied refugee children, to ensure that their basic needs are guaranteed, their human rights are protected and their socio-economic and human potential is not wasted and is made available to host societies and communities. The new Regional Development and Protection Programmes (RDPPs) in North Africa and the Horn of Africa which will become operational in 2016, as well as the already existing RDPP in the Middle East (Jordan, Lebanon and Iraq) will be crucial to that end. Their aim is to support partner countries hosting large numbers of displaced people through capacity building and assistance, primarily in the area of international protection and asylum, partly by increasing the resilience of forcibly-displaced populations and their host communities.

Tackling irregular migration

The EU will work with the ENP countries to address and mitigate the root causes of irregular migration both of their nationals and of those transiting their countries.

The EU will work with to return in a dignified and sustainable manner those who do not, or no longer, have the right to stay in the EU, including through the conclusion and full implementation of readmission agreements and voluntary return and readmission schemes, in line with the Commission's Action Plan on return. The EU will also assist ENP countries to develop their own return policy allowing them to return persons to third countries of origin. Appropriate mechanisms should be further developed to ensure that those returning to their countries of origin can reintegrate and contribute, to the local economy and society. All tools will be mobilised to increase cooperation on return and readmission, thus giving readmission a central place in all dialogues with countries of origin and transit of irregular migrants⁵.

The EU should increase support for efforts to devise national and regional strategies addressing migrant smuggling and to build integrated border management standards, working with relevant EU agencies.

Stepping up cooperation on border management

Proactive engagement with partners in the neighbourhood in the field of border management is necessary to better manage migratory pressures. Together with interested partner countries, the EU will further intensify work on information exchange, administrative capacity and operational and technical cooperation. This could be done via training, research, capacity-building projects and pilot projects with partner countries, notably working through relevant EU Agencies, including FRONTEX and EUROPOL.

⁵ EU Action plan on return , 9 September 2015, COM(2015)453 final

VI. THE REGIONAL DIMENSION

The consultation was in part conducted through the existing regional cooperation formats, which will continue. However, the consultation confirmed a strong interest in developing new ways of working with the neighbours of the neighbours.

- * New outreach beyond the boundaries of the ENP area

- * New thematic frameworks to tackle shared challenges e.g. on migration, energy, security and health

In 2009, the EU and its six Eastern partners launched the Eastern Partnership (EaP), based on a commitment to fundamental values (including democracy, the rule of law and respect for human rights and fundamental freedoms) a market economy, sustainable development and good governance. Since then, the EaP has developed into a vibrant forum for exchange and cooperation on issues ranging from trade to energy, transport and education or environment. The 2015 EaP Summit in Riga listed the strengthening of institutions and good governance, mobility and people-to-people contacts, market opportunities and interconnections as shared priorities which will be taken forward with partners, including in the multilateral framework of the EaP. It is the sole right of the EU and its partners to decide how they want to proceed in their relations.

Regional cooperation in the Southern neighbourhood has seen progress through the Union for the Mediterranean. The organisation has proved to be a valuable forum for political and economic discussion, providing a framework for cooperation on issues of common interest and on operational projects in the region. Many in the public consultation recommended deepening that cooperation. The Commission and the High Representative work to further invigorate this regional cooperation. For this reason, the EU will give priority, wherever suitable, to the UfM in its regional cooperation efforts.

Relations between neighbours themselves should be reinforced, and sub-regional cooperation in both the east and the south should be promoted. Where relevant, regional cooperation between neighbourhood partners and Member States, together with candidate and potential candidate countries, will be pursued through EU macro-regional strategies and territorial cooperation programmes, with a view to fully exploiting their potential.

Where connections and interdependencies with other partners require broader formats of cooperation, third countries should be involved. The EU will use Thematic Frameworks to offer cooperation on regional issues of concern to our neighbourhood to state and multilateral actors in the wider region, including accession and other partners. Thematic Frameworks will be used to provide a regular forum to discuss joint policy approaches, programming and investment that reach beyond the neighbourhood. These will be ad hoc meetings of interested parties from the Southern or Eastern neighbourhood, bringing together interested Member States, neighbourhood countries and regional partners, together with International Financial Institutions (IFIs), international organisations and other donors. Civil society and private sector organisations will be invited where appropriate. The format of these Thematic Frameworks and those involved will depend on the issue and will build on existing structures. Migration, energy and security will be particular priorities.

Turkey is an EU candidate country and an important neighbour to both the EU itself and to several partner countries. When developing the Thematic Frameworks that reach beyond the neighbourhood, the EU should continue to work closely with Turkey on issues of common concern.

The EU's relations with the Russian Federation have deteriorated as a result of the illegal annexation of Crimea and Sebastopol and the destabilisation of eastern Ukraine. There are several issues pertaining to the region on which constructive cooperation would be helpful in terms of addressing common challenges and exploring further opportunities, when conditions allow.

Cooperation in other fora will complement these regional engagements. The EU should increase its outreach to partners in sub-Saharan Africa and the Sahel region and in this context ensure coherence with ongoing work on the post-Cotonou agenda. The EU should also engage all relevant partners in the Middle East and North Africa in the areas of political dialogue, investment and aid. This will include further development of the dialogue with the League of Arab States, cooperation with the Organisation of Islamic Cooperation (OIC), the Gulf Cooperation Council (GCC), the African Union, the Arab Maghreb Union and the work within the framework of the Western Mediterranean Forum (5+5 Dialogue). The Black Sea Synergy Initiative has developed as an important forum for tackling common problems whilst encouraging political and economic reform. The EU should continue to promote regional cooperation and increase coordination with the Council of Europe, the Organisation for Security and Cooperation in Europe (OSCE) and its bodies.

The EU Regional Strategy for Syria and Iraq as well as the ISIL/Da'esh threat outlines actions that the EU and its Member States are taking to help restore peace and security in Syria and Iraq. As concerns Iran, as the recent deal is implemented, there is scope for further cooperation on regional issues, including energy. Given Central Asia's strategic importance, the EU should expand its outreach to relevant partners with a view to establishing strong, durable and stable relationships with countries in the region.

VII. MORE EFFECTIVE DELIVERY

VII.1 FLEXIBILITY OF FINANCIAL INSTRUMENTS

The EU has committed substantial resources to support the major stabilisation challenge in the neighbourhood, with over €15 billion being available through the European Neighbourhood Instrument (ENI) over the period 2014-20. To further maximise impact, the EU will seek to leverage considerable additional funding by further enhancing its cooperation with major International Financial institutions and through the Neighbourhood Investment Facility (NIF). The EU will modernise and strategically align its technical assistance instruments (TAIEX and Twinning) to provide tailor-made support. The EU and the partner countries will continue to work together to ensure that the EU financial assistance reaches the intended beneficiaries and is not diverted by fraud.

Association Agendas and partnership priorities will be the basis for setting priorities for assistance. Bilateral allocations to partner countries will reflect the priorities of the ENP and

the level of their ambitions, and commitment to and implementation of reform will continue to guide the allocation of funds under the ENP umbrella programme.

Developments in the neighbourhood countries have indicated a growing need for international financial and economic support to underpin necessary transition and stability. The European Union's existing toolbox provides for resources that are targeted to a variety of issues, but in many cases limited in size when compared to the needs that have and can be identified. The Commission will therefore conduct an in-depth assessment over the coming months with a view to developing options, including an instrument, that could better and more efficiently address the financial needs of neighbourhood countries, at the same time supporting their ongoing necessary reform efforts. This work could build on the experience of existing instruments, including those created over the past years to support EU Member States.

The response to the conflicts in Syria and Ukraine and the use of Trust Funds are examples of how the EU's financial instruments can react quickly and flexibly. However, more needs to be done to accelerate assistance and to ensure it is better adapted to rapidly evolving political circumstances and priorities.

The Commission and the High Representative will seek to speed up aid delivery by streamlining procedures. They will examine the case for a 'flexibility cushion' within the ENI, i.e. to set aside resources until used for urgent programming of unforeseen needs, particularly for conflict and post-conflict needs; refugee support; crises and disaster response; and for security and stabilisation programmes.

Consideration will be given to changing the financial regulations so that unused funds within this 'Flexibility cushion' can be carried forward to the next year. The EU will use the mid-term review of EU external financing instruments in 2017 to look at streamlining administrative procedures and, where required, proposals will be made to amend the underlying legal acts.

Improved donor coordination is essential to maximise resources, but also to make the EU's contribution more visible. Wherever possible a joint EU response in the region should be shaped around the EU brand enhancing the use of joint programming with EU Member States on and of shared analysis from all EU sources, (including EU Delegations, CSDP missions and EU Special Representatives). Simplified approaches should facilitate joint projects with EU Member States and agencies.

The EU will strengthen effective donor co-ordination with other EU funding mechanisms and with major international financial institutions and with the African Union, the League of Arab States, and the Gulf Co-operation Council as well as working through the Union for the Mediterranean, the Eastern Partnership and regional fora.

VII.2 VISIBILITY, COMMUNICATION AND OUTREACH

Better communicating and promoting EU policies will be at the heart of the new ENP. Improved public diplomacy will contribute to better explaining the rationale of EU policies and the positive impact of concrete EU actions. EU should seek to ensure greater visibility for the use of EU funds for the neighbourhood in the period 2014-2020. Visibility for the EU should be made a condition of working with implementing partners.

Support will help promote independent, reliable and credible media. The EU could also support strategic communication capacity within governments for better understanding of public opinion, to plan and adapt campaigns communicating the benefits of reform.

As agreed in the European Council, the EU should work with partners to expose misinformation and respond decisively when it targets the EU. An appropriate mix of proactive strategic and tactical communication tools will allow the EU and its partners to better monitor and analyse the media, to better understand perceptions and narratives in the partner countries and to explain the benefits of each country's cooperation with the EU with the ultimate goal of creating a positive narrative about support and cooperation under the ENP.

More involvement of the Member States in setting communication priorities should help ensure a more coherent EU voice. EU Delegations in the partner countries will work closely together with Member States' representatives in their engagement with key stakeholders, in particular civil society. Outreach activities are also necessary inside the EU to explain to our citizens why stable, secure and prosperous countries in our near vicinity are key to the EU's own stability and security.

The EU should engage more on this public diplomacy agenda with governments, civil society, the business community, academia and other citizens in partner countries, in particular youth, including through science diplomacy.

PARTNERSHIPS FOR YOUTH

Engagement with young people across the neighbourhood will be stepped up by creating partnerships for youth. These partnerships will promote people to people contacts and networks for young people of all ages in the EU and neighbouring countries, to foster mutual respect, understanding and open societies. It should include a substantial increase in exchanges between schools and universities, including the potential for a pilot-project of a European School in the neighbourhood. Lifting the current cap in place on funding for Erasmus students' outgoing travel will encourage more young Europeans to study in partner countries in order to increase links between Member States and partner countries.

The development 'Friends of Europe' clubs and alumni networks for those who have participated in EU activities, and where possible develop networks of "youth ambassadors" could be tools for such outreach, together with the creation of fora to enable exchanges between young leaders and future opinion formers from across the EU and its neighbourhood.

VIII. NEXT STEPS

This Joint Communication concludes the formal consultation process on the review of the European Neighbourhood Policy. Over the course of 2016, we intend to discuss the proposals contained in this Joint Communication, as well as subsequent positions taken by the EU, with partner countries, with a view to jointly determine the shape of our future relations, based on the recommendations outlined in this Joint Communication.