



CONFERENCE REPORT TEPSA Pre-Presidency Conference

Priorities of the Polish Presidency of the European Union

**College of Europe, Natolin campus, Warsaw
30 June – 1 July 2011**

The Polish Pre-Presidency Conference took place on 30 June and 1 July 2011 at the Natolin campus of the College of Europe. It was organized by the European Institute ('Instytut Europejski') of Łódź, in cooperation with the College of Europe and TEPSA. The conference focused on the European Union's priorities and challenges during the Polish presidency.

WELCOME

The conference was opened by the welcome remarks by Jacek SARYUSZ-WOLSKI (Member of European Parliament, Chairman of European Institute in Łódź and TEPSA Board Member), Paul DEMARET (Rector of the College of Europe) and Jean-Paul JACQUÉ (TEPSA Secretary General).

Jacek SARYUSZ-WOLSKI noted that the Polish presidency is the fourth presidency of a new EU member state. According to him, the Polish presidency will have to face routine issues as well as crisis situations. The accumulation of several threats constitutes a serious challenge for the Polish presidency. Mr SARYUSZ-WOLSKI emphasized five main challenges: the economic crisis in several EU member states; the unravelling of the Schengen agreement; the diminishing financial solidarity among EU member states; the EU's lack of performance and impotence during the Libyan crisis; the crisis of the Union's policy vis-à-vis the neighbourhood, which cherished dictatorships in the Mediterranean while ignoring civil society and its democratic aspirations. Furthermore, he argued that democracy is in retreat in Ukraine, the Southern Caucasus and Belarus. The Polish presidency will attempt to address current challenges by focusing on security issues, most notably those pertaining energy security, stability in the neighbourhood, the economic crisis and economic governance.

Paul DEMARET stressed the ambitious agenda of the Polish presidency. According to him Poland is a strong promoter of European integration *inter alia* in security and defence policy, neighbourhood policy and economic governance. He also claimed that Poland constitutes a positive example for the whole Union thanks to its recent economic performance. Jean-Paul JACQUÉ emphasized the long tradition of TEPSA Pre-Presidency Conferences, which started 25 years ago. He claimed that today there is a solidarity problem within the EU, which concerns particularly the formulation of common external action, a common approach to the neighbourhood and to the challenges posed by immigration. However, he also argued that crisis has been a defining element of European integration, but it has not hindered the integration process. Conversely, each crisis led to more integration and further transfer of powers to European institutions.

After the introductory speeches, Jaap De ZWAAN (Erasmus University Rotterdam, TEPSA Board Member) presented the TEPSA recommendations to the Polish presidency. The TEPSA recommendations focused on eight policy areas: promoting economic growth; the Multiannual Financial Framework 2014-2020; improving the EU's security; the area of freedom, security and

justice; enlargement; the neighbourhood policy and Russia; the Doha Round and international trade; research and innovation.¹

I. PRIORITIES OF THE POLISH PRESIDENCY

Panel 1: Overall Priorities in the area of Security and Defence

The first session was opened by the speech of Radosław SIKORSKI, Minister of Foreign Affairs of Poland. Mr SIKORSKI stated that Poland is taking up the Council presidency in interesting times. He argued that member states must not renationalize policies as a response to the current crisis. The European Union is a source of hope, as it was developed as a response to crisis and every past crisis contributed to strengthen it. Mr SIKORSKI also stated that Poland wants to demonstrate that acting together brings added value. Trust in collective projects needs to be rebuilt; responsibilities and costs must be shared; realism and pragmatism are necessary. According to him, the EU's neighbours still want to emulate the European model, but the EU has to sustain its attractiveness.

Mr SIKORSKI argued that the priorities of the Polish presidency can be summarized in three clusters, namely boosting Europe's economy, strengthening its security and opening the Union to its neighbourhood. Firstly, the whole potential of the European market has to be released, for example by helping vulnerable sectors of the economy. In this respect, the Polish presidency will emphasize solidarity and cohesion. Furthermore, the intellectual capital of Europe must be developed and used concretely. Secondly, Mr SIKORSKI stated that security has to be increased. In terms of energy security, shale gas could shield Europe from high gas and oil prices and diminish CO2 emissions. Investments are necessary in the defence sector. The Polish presidency will focus on strengthening EU-NATO cooperation and EU defence and command capabilities. The Union should also develop permanent structured cooperation. Thirdly, he argued that the EU needs to be open to the neighbourhood and avoid erecting new barriers.

Panel 2: Open Union – neighbourhood and enlargement

Mikołaj DOWGIELEWICZ (Poland's Secretary of State for European Affairs) outlined priorities in the EU's enlargement and neighbourhood policies. He argued that the EU still has a strong appeal, as demonstrated by the fact that Croatia's accession is within sight, while Iceland has swiftly completed negotiations on two chapters of its accession agreement. Mr DOWGIELEWICZ stated that the EU should keep its doors open, despite the current enlargement fatigue. According to him, the key priorities concerning the Union's enlargement include: strengthening consensus on enlargement; sign the accession treaty with Croatia by the end of the Polish presidency; open as many chapters as possible in the negotiations with Iceland; take a decision on Serbia's application for membership; open accession negotiations with Montenegro; open new chapters with Turkey, depending on Ankara's political will.

As far as the European Neighbourhood Policy (ENP) is concerned, Mr DOWGIELEWICZ argued that its revision must continue on the basis of more conditionality. He drew a distinction between the Union's southern and eastern neighbours, noting the former are neighbours of Europe while the latter are its European neighbours. Furthermore, he claimed that the ENP must better address the needs of the EU's partners. Mr DOWGIELEWICZ praised progress in negotiations with Ukraine concerning its accession agreement. However, he also noted the EU's concerns regarding human rights and the treatment of political opposition in the country. He also praised Moldova's efforts towards EU integration and argued that the EU should offer stronger integration prospects to both Kiev and Chisinau. As far as North Africa is concerned, he

¹ The TEPSA recommendations can be found at <http://tepsa.be/Polish%20recommendations%20final.pdf>.



stated that Poland could contribute in terms of democracy- and capacity-building by sharing its past experiences. He concluded his remarks by stating that the ENP is a test for the credibility of the Union.

Panel 3: Economic governance: from crisis to growth

The session was introduced by Jan Krzysztof BIELECKI (President of the Economic Council to the Prime Minister of Poland). He emphasized that Poland is the only EU country whose economy has grown during the recent economic crisis. With this unique position, Poland looks optimistically at future challenges in the realm of economic growth.

Marek BELKA (President of the National Bank of Poland) focused his speech on the attractiveness of joining the Eurozone for Poland. After joining the EU, Poland planned to join the Eurozone as soon as possible. Before the Euro-crisis, joining the Euro was broadly regarded as being in the best interest of Poland. This eagerness to join was based on three assumptions. Firstly, it was assumed that joining the Euro would mean access to inexpensive capital, which would accelerate fast growth and would fasten the convergence process. A second assumption was that this inflow of capital would by itself help Poland to become a more effective economy with efficient allocation of capital. Lastly it was assumed that wise fiscal discipline could avoid an uncontrollable boom if there was too much capital inflow.

According to Mr BELKA, these assumptions needed to be modified following the eruption of the Eurocrisis. The cost of capital after joining the Euro will not fall as much as before, as the markets now discriminate more between different countries. Secondly, the assumption that joining the Euro will result in efficient allocation of capital and accelerate competitiveness was completely wrong. The experience of other countries that joined the Eurozone shows that most of the investment goes to consumables. Furthermore, there is a loss of competitiveness due to the increase of wages and inflation. Also the assumption that fiscal policy could compensate excessive capital inflow was completely wrong, as proven by the examples of Estonia and Bulgaria. Before being allowed to join the Eurozone, Poland has to fulfil the Maastricht criteria in a sustainable way. The Council will have a final say in this respect. However, it is not only up to Poland to fulfil the Euro criteria. The Euro will have to fulfil Poland's criteria too. The costs and benefits of joining the Eurozone have changed radically since the crisis and Poland's recent economic growth has made the country more assertive.

Jacek ROSTOWSKI (Poland's Minister of Finance) stressed that much has already been done in the Eurozone to ensure stability. There can be no stability in the EU without stability in the Eurozone. Therefore the stability of the Euro is a vital national interest also for Poland. The structural weaknesses of the Eurozone have been exposed during the last years. Now efforts have been made to overcome this. Mr ROSTOWSKI elaborated on the Polish experience in the crisis. When the economic crisis struck in 2008 everybody was affected. Poland also had to take early action. In early 2009 Poland introduced a savings package of 1.8 net GDP, instead of a stimulating package as recommended by the Commission. As a result of these savings, Poland maintained its credibility and in 2009 and 2010 the automatic stabilizers worked. Poland was therefore the only country with economic growth in 2009, and also grew in 2010. Growth is expected in 2011 and 2012 as well. Measures for fiscal consolidation have already been taken, although the final step to liquidate excessive public debt shall be taken no earlier than 2012.

The six regulations on European economic governance, the 'six-pack' introduced by Van Rompuy's taskforce, are designed to set the situation right in the Eurozone. There will be more emphasis on the debt to GDP ratio. In addition, there will be national rules to limit deficits or debts and EU rules on the ratio expenditure to GDP. However the Irish, Estonian and Bulgarian cases have shown that low debt to GDP ratios do not guarantee that the crisis will not hit. Therefore, support mechanisms will also be needed for when the rules fail to provide stability.



There is a need for better designed structural support mechanisms for the future. Markets make mistakes, but so do regulators and planners.

II. KEYNOTE SPEECH

"The European Parliament as the core of the Community method" **by Jerzy BUZEK, President of the European Parliament**

The changes introduced by the Lisbon Treaty have become an everyday reality in the EU. The Lisbon Treaty formally created the European Council, together with its permanent President. The old institutional triangle has been transformed into a rectangle. The European Council has become very important, not only with regard to long-term planning and strategy, but also in terms of its involvement in management and micro-management. Before the Lisbon Treaty the rotating presidency was linked to this micro-management. This change may not be exactly in the spirit of the treaty, but it is never easy to predict what the result of a new legislative text will be.

The European Commission, on the other hand, has been weakened as a result of the Lisbon Treaty. The Commission should be stronger and acquire more legitimacy. There are different options voiced to attain this, such as the possibility to merge two presidency roles or the direct election of the Commission President. The European Commission could be brought closer to the people by having its Commissioners directly elected among MEPs. Legitimacy and strength are needed. In times of crisis the executive is more important than the legislative body.

The rotating presidency has become more important for the European Parliament, which now enjoys more legislative powers. The cooperation between the European Parliament and the national parliaments has been strengthened too. The Polish Council presidency creates many possibilities and has formulated good priorities that offer good solutions for the European Union. There is a need for both solidarity and responsibility. We should embark on a dialogue of openness on solidarity, a more unified and explicit Union. Mr BUZEK is looking forward to cooperating with the Polish Council presidency.

III. ECONOMIC GOVERNANCE: FROM CRISIS TO GROWTH

The session on economic governance was introduced by Paweł SAMECKI (European Institute in Łódź). Mr SAMECKI outlined the context of the debt crisis, the future of the Euro and of European integration. He advised to be optimistic about future recovery and to reflect on the missed opportunity to supplement the monetary union with a fiscal union.

The panel started with the speech of Janusz LEWANDOWSKI (EU Commissioner for Financial Programming and Budget) on 'the EU budget as an investment for growth'. He claimed that the Multiannual Financial Framework (MFF) 2014-2020, published by the European Commission on 29 June 2011, is both simple and transparent. He also linked the European budget and the economic governance and argued that the EU budget can be used as a mechanism for sanctions in the field of economic governance, particularly by setting up ceilings for EU expenditure per main categories. The new MFF's objectives tend to adjust and modernize the budget notably by simplifying the rules of financial regulation. In this context, the Connecting Europe Facility was created to enhance interconnection in Europe, but especially to provide strong co-ordination with cohesion policy and propose the use of EU project bonds. The Commission suggests allocating €40 billion to this priority, to be complemented by an additional €10 billion.

According to Mr LEWANDOWSKI, the new framework tends to shift priorities in order to finance new areas such as the EU's External Action Service (EEAS) and the activities in the field



of justice and home affairs, including border control, security and immigration. The expenditure for cohesion policy and the Common Agriculture Policy (CAP) remained almost unchanged. With the new framework, the CAP would notably support the EU to deliver environmental objectives, since 30 per cent of direct support would be made conditional on 'greening'. With the budget restraint, administrative expenditure will not be increased for the next financial period. There should be an administrative expenditure discipline for all EU institutions. Moreover, the Commission proposes a correction in favour of abolishing the UK rebate. This mechanism would be fairer and consist of fixed lump sums aiming at treating large contributors to the EU budget based on economic prosperity. The Commission proposes the use of its own new resources as well. The VAT-based resources would be replaced by the Financial Transaction Tax (FTT) and a new modernized VAT. The aim is not to increase the EU budget, but rather decrease national contributions to the EU budget. The Commission aims at introducing these changes in 2018 in order to reduce and simplify member states' contributions.

Iain BEGG (London School of Economics, TEPSA Board Member) discussed the strengths and the weaknesses of the proposal. He drew the attention to the current national austerity measures and contrasted the situation of the member states today with prognoses for 2014. He also highlighted that the European Parliament would take advantage of its new powers to gain influence in decision-making and reduce the Commission's powers. Mr BEGG welcomed the proposal to ensure synergies within the EU. He argued that the new EU budget introduces more conditionality in cohesion policy and intends to be strategic in relation to Europe 2020, with the creation of a common strategic framework for all structural funds. However, he also stressed that the proposal contains some weaknesses. Elements such as the economic recovery, greener Europe/climate change and Europe in the world could have been better incorporated in the framework. The introduction of the FTT looks politically attractive, but the question of who has the power to levy the tax remains unanswered.

Jacques PELKMANS (College of Europe, Centre for European Policy Studies) stressed that European integration is better off without a budget, since this would mean that no budget can be spent. Consequently, one should probably be relieved if the budget is limited. Furthermore, with all member states focussing on their own interests no one defends the *EU* budget at the Council. He advised to screen the budget through the 'subsidiarity test'. This would show that taking action at EU level is justified in order to be able to achieve objectives. He also argued that the poor regions in the poorer countries, rather than the poorest regions of richer member states, should get the money of the cohesion fund.

IV. SECURITY ASPECTS OF EU EXTERNAL POLICIES

Panel 1: General dimension

Jörg MONAR (College of Europe) introduced the panel on general security aspects of EU external policy. He claimed that the EU has to identify common threats and come up with a common strategy to confront them. The EU already has a security strategy, but this document leaves too much room for interpretation. He also outlined external EU security challenges, including terrorism and activities linked to organized crime, notably drug trafficking, trafficking in human beings, illegal immigration and smuggling. Further emerging threats are: the upheavals caused by the Arab spring; illegal immigration and its link with terrorism; the increased visa abuse risks resulting from visa liberalization with some Eastern European non-member states. The Polish presidency should link internal security objectives with external strategies and action, making a greater use of conditionality and ensuring the continuation of capacity-building in the neighbourhood.



Olaf OSICA (Centre for Eastern Studies, Warsaw) emphasized the strategic shift that occurred during the last decade. The US now focuses more on Asia than on Europe. There are new regional powers, notably the BRICs, and a more assertive EU neighbourhood. Mr OSICA argued that the outside world influences EU security more than the EU influences world security. In the 1990s EU policy-makers thought that the CSDP would become an instrument for crisis-management independent of US support. Today we see that the CSDP has indeed become independent of such support, but it has also become less ambitious. European national security interests are very important to determine CSDP priorities, which can be a serious problem for EU joint operations in crisis management.

Mark RHINARD (Swedish Institute of International Affairs) argued that the academic debate has recently focused on broader EU security issues and not simply on CSDP. This is due to growing scepticism about CSDP, which was strengthened by the EU's poor performance during the Libyan crisis. The CSDP has a narrow set of instruments and there is not much room for optimism with regard to military missions. Mr RHINARD also analysed the role of EU institutions. With the Lisbon treaty, the Commission has lost decision-making power, mostly due to the creation of the European External Action Service. However, the Commission still has primary responsibility for external action in many fields, such as development, enlargement and humanitarian assistance. In addition, the Commission has strengthened its informal tactics, for instance by getting indirectly involved in other institutions and influencing their agendas. Furthermore, the Commission always benefits from the communitarisation of policies because of its prominent role among EU institutions. Mr RHINARD concluded by stating that the glory days of the Commission in external relations are over. However, the Commission can compensate for its loss of power by using both direct and indirect tactics.

Marcin ZABOROWSKI (Polish Institute of International Affairs) argued that the EU security and defence policies are mostly based on the idea that Europe is not threatened and power should be projected elsewhere. Defence budgets have been cut in all EU countries. EU troops are overstretched in Afghanistan and reliant on US support in Libya. They also rely too much on Article 5 of the NATO treaty, and therefore on US assistance, to repel an attack on their territory. Robert Gates' speech has shown that the EU should not take US support for granted. Nevertheless, the EU will not spend more on defence in the future, as the European public opinion does not feel the urge to increase defence spending. According to Mr ZABOROWSKI, Europeans need to be prepared to the fact that US interests in Europe will wither away. He argued that bilateral agreements with the US should be signed and the CSDP has to be developed for good. For now, the battlegroups are not operational, French and British resources are not always available, planning capacities are missing and the CSDP has to rely on NATO assets. He concluded by stating that Europe is in a security limbo, but nothing is undertaken to change this situation.

Panel 2: Energy security

The panel on energy security was chaired by Alan RILEY (Centre for European Policy Studies/City University London), who highlighted the current relevance of the topic under discussion. Artur LORKOWSKI (Polish Ministry of Foreign Affairs) grouped the priorities of the Polish presidency under three headings: European integration as a source of growth; secure Europe; and Europe benefiting from openness. He stated that Poland will focus on the implementation of the Lisbon Treaty objectives in the field of energy security. The third energy package has already been approved. Poland will push forward the discussion on energy infrastructure and the security of the gas supply. In addition, the Polish presidency will attempt to conclude agreements with Azerbaijan and Turkmenistan for the provision of Central Asian gas to the EU. Mr LORKOWSKI also stated that Poland would not like the Commission to grant external partners any derogation from the rules of the common energy market. Furthermore, the electricity grid of the Baltic States should be desynchronised from the old Soviet grid. The



North-South axis for gas transportation is also a priority, as well as the discussion on energy efficiency. Renewable energies will also be emphasized.

Greg PYTEL (Imperial College London) emphasized the separation between Western Europe and Central-Eastern Europe in terms of energy interconnectivity and local energy production. Central Eastern Europe has developed fewer domestic resources and is much more dependent on Russian supplies. All pipelines in this part of the EU run east to west. The free market has to be enabled in order to allow competition and the movement of supplies in different directions. In particular, a south-to-north interconnection would integrate all EU states. The second branch of the Yamal pipeline should also be developed. According to Mr PYTEL, Turkey plays an essential role as transit country for the southern corridor. Russia will remain a major supplier via Austria, while gas from North Africa will continue to play an important role too.

Keith SMITH (Center for Strategic and International Studies, Washington) focused on the issue of corruption in the energy field. He noted that plenty of money flows in the energy market, especially in the gas market. According to him, corruption has spilled over into the EU energy sector from Russia due to a general lack of transparency. He also stressed that Russia exploits its intelligence service in the energy field and argued that the Nord Stream project was agreed upon by former Russian and East German intelligence agents. Furthermore, Mr SMITH stated that there should be more public accountability in Europe. After 2009 the EU has focused more on energy security, but greater efforts are necessary. The EU should also be able to react faster when a country faces energy coercion.

Mariusz HUBSKI (European Commission, DG Energy) stated that the security of energy supplies is one of the three priorities in EU energy policy, together with the creation of an internal market and the sustainability of energy production. He explained that EU domestic production is declining and future prospects for the extraction of shale gas in Europe are still uncertain. In Eastern European member states there is no energy diversification and their dependence on Russia is very strong, as shown by the 2009 energy crisis. Some solidarity measures were taken after the 2009 energy crisis, but more needs to be done. Mr HUBSKI concluded by claiming that there are several priorities at the moment. Firstly, the Baltic states should be integrated in the European energy grid and a South-North connection should also be created. Secondly, the EU has to learn to speak with one voice. Finally, a Trans-Caspian pipeline should be built in order to implement the EU Southern Corridor, as Azerbaijani gas is not sufficient. However, this is a highly complex task.

V. KEYNOTE SPEECH

by Herman VAN ROMPUY, President of the European Council²

After a short introduction by Jacek SARYUSZ-WOLSKI, Herman VAN ROMPUY took the floor. As permanent President of the European Council, Mr VAN ROMPUY brought a different perspective on the 6-month timeframe. He argued that his role is to increase continuity at the level of Heads of State and Government. The European Council has to establish political priorities, set the Union's strategic course and take responsibility in crisis situations. Responding to crises took much time, but this happened without losing sight of the long-term. Mr VAN ROMPUY stated that Poland's first Council presidency is a historic event. By now the country has gained experience in working together within the EU for seven years already. He also praised the system of the rotating presidency, arguing that it brings new impetus to the EU agenda and a different set of qualities every six months. The rotating and permanent presidency can only work on the basis of mutual cooperation and trust.

² To read the full speech of President Herman Van Rompuy, please click here:
http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/ec/123376.pdf.



Furthermore, Mr VAN ROMPUY claimed that the EU is a political project that embodies the European common destiny. Contrary to many observers, he argued that the state of the Union is not bad. Political courage still exists in the Greece and elsewhere. However, European problems have a tendency to be transformed into drama. The sovereign debt crisis posed a real but solvable problem. One needs to keep a sense of proportion though, otherwise we risk paralysis. The EU has always emerged stronger after crises and there is no reason to think this will not be the case this time. Furthermore, the EU has already achieved many results. Throughout its history and today, the EU has been about three aspirations: peace, prosperity and power. On 30 June 2011 the negotiations were closed with Croatia, a country that was involved in a civil war only 15 years ago. This is a milestone victory. As for the other countries in the Western Balkans, if the domestic reforms continue vigorously, there might be some important decisions taken at the European Council in December. Looking at peace and mutual trust between countries, the freedom of movement within the EU is a great achievement. The new safeguard mechanism should only be used as a means of last resort and will not affect the rights of persons entitled to free movement under the Treaties.

He also argued that the euro is not in a deep crisis. Over the years it has strengthened in value on international monetary markets and maintained a low and stable inflation rate. The trade balance of the Eurozone is in equilibrium and public debt levels are lower than in the US or Japan. When the sovereign debt crisis erupted more than a year ago, there were no appropriate mechanisms to deal with it. Now the EU has developed a crisis mechanism, increased budgetary surveillance, the coordination of national policies and strengthened the supervision of the banking sector. The six-pack still needs to be agreed upon as a comprehensive package. Mr VAN ROMPUY sees as his main task the informal coordination between key actors, which should overcome the lack of formal structures and the "currency without a state".

Finally, Mr VAN ROMPUY focused on the EU's neighbourhood. The EU is proposing a partnership with the countries in North Africa and the Middle East. Without the EU, the Arab Spring will not turn into a 'summer'. According to him, the Polish experience in democratic transition can be valuable. On the Eastern border of the EU much has already been achieved. The importance of EU's Eastern Neighbourhood will be confirmed at the Eastern Partnership Summit in September. Mr VAN ROMPUY stressed that Europe is much more active in foreign policy than most people think. Even if the international agenda is blocked in many fields, the EU is doing its utmost to move it forward. He concluded his speech by expressing his confidence that the Polish presidency will be able to give a powerful impetus to the EU's work.

VI. NEIGHBOURHOOD POLICY: EASTERN AND SOUTHERN DIMENSION

The session on the European Neighbourhood Policy (ENP) was chaired by Kerry LONGHURST (College of Europe). The chair opened the panel by outlining the context of the ENP with references to the influence of several factors including time, upcoming elections in the US, France and Russia, the Arab Spring and the ambiguous political picture in Eastern Europe. In addition, he put forward questions regarding the current ENP review, notably how the "more for more" approach can be operationalized, what the final goal of the ENP is and how the Union for the Mediterranean might be reformed.

In the first contribution to the session, Gunilla HEROLF (Stockholm International Peace Research Institute and TEPSA Board Member) emphasised two main aspects revolving around the ENP. First, she stressed the fact that problems such as crime and environmental pollution in the neighbourhood have a direct and lasting effect on the EU as a whole. Thus, a distinction between the Eastern and Southern dimension of the neighbourhood makes sense only from the perspective of individual member states and their particular interests. Secondly, the issue of



coordinating EU and member states' policies towards the neighbouring is of utmost importance. This proves to be very difficult due to the lack of a final goal of the ENP and the differing interests of member states, for instance in trade and human rights policy. Nevertheless, Ms HEROLF was optimistic about current developments and argued that they could lead to improved common policy structures in the EU system.

Christophe HILLION (Leiden University) pointed out the implications of the turmoil in the EU's neighbourhood. He distinguished between negative consequences, such as the discussion about the Schengen agreement within the EU, and positive effects, most notably the call for democracy in neighbouring societies. Mr HILLION then elaborated on Article 8 of the Treaty on European Union on establishing an area of prosperity and good neighbourliness founded on the values of the Union. He stressed the normative dimension of this Article and its position among the Common Provisions of EU primary law. However, the opinion of EU member states regarding the overall objective of Article 8 and the ENP diverge. According to some, the ENP should lead to accession, whereas according to others it is an alternative to accession. Mr HILLION also argued the Lisbon Treaty scattered competences for ENP among too many different actors. He concluded by recommending that the Commission and the EEAS should pay more attention to the potential of Article 8 and that ENP issues should play a more prominent role in internal EU policies, such as the internal market.

Katrin BÖTTGER (Institute for European Politics, Berlin) discussed the *finalité* and the goals of the ENP, as well as the means and methods by which they could be achieved. She subsequently shed light on the case of Azerbaijan. She outlined how the civil society in the country sees the EU and the ENP support only as one of many international donors. Ms BÖTTGER also highlighted some EU double standards by arguing that the Commission treats the harassment of journalists in Ukraine and Azerbaijan differently. As Ms BÖTTGER noted, the EU practice of connecting visa liberalisation issues with contracts on gas delivery is very controversial too.

Haizam AMIRAH-FERNÁNDEZ (Elcano Royal Institute, Madrid) focused on current developments in the Arab world. The EU had underestimated the desire for democratic reforms in many Arab countries. The demographic situation in these countries has led young people to demand better education, job opportunities, a change in political culture and democratic reforms from their respective governments. Some of the significant social changes that were achieved during the Arab spring cannot be reversed. Mr AMIRAH-FERNÁNDEZ stated that the EU cannot miss this historic opportunity. A paradigm shift in the ENP is needed and a common vision for future relations with these countries has to be developed.

CONCLUDING REMARKS

Wolfgang WESSELS (University of Cologne, TEPSA Chairman) presented his concluding remarks on the issues discussed during the conference. He described the context in which the Polish presidency of the EU has started. He stressed that, although the EU was able to overcome difficult situations in the past, this was not always the case and positive outcomes should not be taken for granted. Mr WESSELS placed the upcoming Polish presidency in the context of the historical development of the European integration process and pointed out significant matters that every presidency had to address in pre-Lisbon times, such as the competence for setting the policy agenda. The Polish presidency has now the chance to fulfil an important role-shaping function and set the standards for the next presidencies. Mr WESSELS ended his concluding remarks by drawing the attention to the current problems that the EU and its member states have to face, such as the growing support for populist parties. Finally, he expressed his appreciation to all participants and thanked in particular the Polish organisers for their impressive preparatory work.

