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**JOINT STAFF WORKING DOCUMENT**

**Implementation of the European Neighbourhood Policy in 2011  
Regional Report : Eastern Partnership**

*Accompanying the document*

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

**Delivering on a new European Neighbourhood Policy**

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## 1. INTRODUCTION

In 2011 the Eastern Partnership (EaP) consolidated and advanced steadily on both bilateral and multilateral tracks. However, despite many achievements, the limited progress and, in some countries, regression in democracy, the rule of law and human rights remains a challenge which must be faced in the years ahead.

2011 saw increased engagement on the part of stakeholders whose support is crucial if the ambitious goals of the Partnership are to be achieved. On 3 May 2011, the EaP was given a parliamentary dimension, with the establishment of the Euronest Parliamentary Assembly (PA). On 8 September 2011, the Conference of Regional and Local Authorities of the EaP (CORLEAP) met for the first time and laid the foundations for a regional dimension of the EaP. To involve economic operators in implementation of the Partnership on more regular basis, the first EaP Business Forum was organised on 30 September 2011. These new strands of cooperation have complemented the thriving EaP Civil Society Forum (CSF), which involves civil society organisations from Eastern European countries and the EU. In all six EaP countries, CSF national platforms have been established, providing civil society organisations with a chance to engage in implementation of the EaP at country level.

A Joint Communication of the High Representative (HR) and the European Commission 'A New Response to a Changing Neighbourhood' of 25 May 2011 gave additional momentum to development of the EaP. Key elements of the revised Neighbourhood policy were implemented by the second EaP Summit in Warsaw (29-30 September 2011). The Warsaw Summit reiterated that the main goal of the EaP is to support Eastern European countries' reform processes with a view to accelerating their political association and economic integration with the European Union (EU). The Summit acknowledged the European aspirations of some partners. The participants also agreed that, as proposed in the May Communication, greater differentiation and mutual accountability will be applied more systematically to implementation of the EaP. The pace of reforms will determine the intensity of the cooperation and partners most engaged in reforms will benefit more from their relationship with the EU, including in the form of increased EU support. The participants agreed that economic integration remains the centrepiece of the Partnership. However, economic reforms will not be sustainable without political ones - hence the emphasis on shared values of democracy, human rights and the rule of law. In this context, the involvement of civil society is indispensable if ambitious reforms are to succeed. Therefore, support for civil society has been considerably increased with the establishment of a Neighbourhood Civil Society Facility in September 2011. At the same time, a 'European Endowment for Democracy' will, once established, allow the EU to provide additional support for those who are engaged in democratic causes in the region. The Summit also highlighted the importance of enhanced mobility of citizens as a key objective of the Partnership and agreed that visa-free regimes - on a case-by-case basis - are the final goal of the cooperation in this area.

2011 brought substantial progress on the bilateral track of the EaP. Negotiations on the Association Agreement (AA) including the Deep and Comprehensive Free Trade Area (DCFTA) with Ukraine were finalised. Progress was made in the preparation for

the launching of negotiations on a DCFTA with the Republic of Moldova, Georgia and Armenia, as an integral part of the ongoing AA negotiations. This led to the decision, in December 2011, to launch negotiations with the Republic of Moldova and Georgia and in February 2012 the decision was taken for Armenia.

Progress was also made on mobility of citizens. Ukraine and the Republic of Moldova pursued the implementation of their respective Action Plans on visa liberalisation. The second progress reports on the implementation of the Action Plan on Visa Liberalisation were presented in February 2012. While implementation of the existing Facilitation and Readmission Agreements between the EU and Ukraine and the Republic of Moldova continued in 2011, negotiations on amendments to those Agreements were concluded in December 2011 and January 2012 respectively. The Commission launched negotiations of Visa Facilitation and Readmission Agreements with Armenia and Azerbaijan in March 2012, following the adoption by the Council of negotiating directives in December 2011. Visa Facilitation and Readmission agreements with Georgia entered into force in March 2011. Such agreements have so far been implemented effectively. A visa liberalisation dialogue with Georgia might start soon. Mobility was also facilitated through the implementation of the EU Visa Code. In October 2011 Armenia and the EU launched a Mobility Partnership. It is the third EU Mobility Partnership with an Eastern Partnership country following the ones signed with the Republic of Moldova and Georgia in 2008 and 2009 respectively. Mobility Partnerships are innovative and comprehensive tools to foster cooperation on migration and mobility issues, including legal migration, the fight against irregular migration, international protection, and migration and development.

Bilateral cooperation was also strengthened by dedicated human rights dialogue meetings with Eastern partners, in addition to and complementing the regular political dialogue meetings.

Throughout 2011, the EU pursued a policy of critical engagement towards Belarus. Following the crackdown on civil society and the opposition after the December 2010 Presidential elections, the EU significantly increased its support to civil society. In parallel, it also imposed a number of restrictive measures on Belarus. In June 2011 the EU proposed to Belarus the launch of negotiations on Visa Facilitation and Readmission Agreements. The EU also prepared for the launch of a 'European dialogue on modernisation' with Belarusian society on reforms necessary for modernisation of the country and on the related potential development of its relations with the EU. Belarus continued to participate in the multilateral track of the EaP, including platforms and panels.

The report which follows covers the progress made with implementation of the EaP in 2011. It is an annex to the Joint Communication of the High Representative and the Commission, XXX, and should be read in conjunction with the country progress reports on Armenia, Azerbaijan, Georgia, the Republic of Moldova and Ukraine, which describe in more detail the progress made by the individual partners on implementing the EaP.

## 2. A DEEPER BILATERAL ENGAGEMENT

### 2.1. Political association

#### ➤ Association Agreements (AAs)

To prepare the ground for the political association of partners with the EU, work towards deepening political relations continued, with a key focus on negotiation of **AAs**. Such negotiations were conducted with Ukraine, the Republic of Moldova, Armenia, Azerbaijan and Georgia. Due to the political circumstances prevailing within the country, Belarus did not participate in the bilateral track of the Eastern Partnership during the reporting period.

**Ukraine: Four plenary meetings** (the 18th to 21<sup>st</sup> since the beginning of negotiations) plus five rounds of DCFTA negotiations (bringing the total number of rounds to 18) were held alternately in Brussels and Kiev in 2011. Several technical contacts supplemented the talks throughout the year. At the 15<sup>th</sup> EU-Ukraine Summit meeting on 19 December, EU and Ukrainian leaders noted that the chief negotiators had reached a common understanding on the full text of the AA. This paved the way for technical completion of the final consolidated version of the document, including its DCFTA part, with a view to initialling and, provided political conditions permit, its signature and ratification.

**Republic of Moldova:** Very good progress continued to be made on the AA negotiations. Four plenary meetings (the 5<sup>th</sup> to 8<sup>th</sup>) were held in Brussels and Chisinau alternately in 2011. In December the EU announced that the Republic of Moldova had made sufficient progress with implementation of the Commission's key recommendations to launch the DCFTA negotiations. The negotiations started in February 2012.

**Armenia:** Four plenary meetings (the 4<sup>th</sup> to 7<sup>th</sup>) were held in Brussels and Yerevan alternately in 2011. Very good progress was recorded under the Common Foreign and Security Policy (CFSP) and Justice, Freedom and Security (JFS) titles where most of the text has been agreed. The parties agreed to discuss a few specific paragraphs at a later stage. Excellent progress was also recorded under the Sectoral Policies title (21 chapters closed out of 28). In February 2012 the EU announced that Armenia had made sufficient progress with implementation of the Commission's key recommendations to launch the DCFTA negotiations.

**Georgia:** Four plenary meetings (the 4<sup>th</sup> to 7<sup>th</sup>) were held in Brussels and Tbilisi alternately in 2011. In November, the European Parliament (EP) adopted a resolution on these negotiations. Very good progress was recorded under the CFSP and JFS titles where most of the text has been agreed. The parties agreed to discuss a few specific paragraphs at a later stage. Excellent progress was also recorded under the Sectoral Policies title (20 chapters closed out of 28). At the end of 2011, the EU decided to start negotiations on a DCFTA (as an integral part of the AA). The negotiations started in February 2012.

**Azerbaijan:** Three plenary meetings (the 3<sup>rd</sup> to 5<sup>th</sup>) were held in Brussels and Baku alternately in 2011 and all the topics of the AA (including trade issues) were addressed. Good progress was recorded on Sectoral Policies (13 chapters closed out of

28), Trade and JFS. Discussions on the CFSP title proved more difficult and the parties agreed to hold additional sessions on this topic.

➤ *Strengthened human rights dialogues (HRD)*

The commitment to the **values of democracy, rule of law, human rights and fundamental freedoms** lies at the heart of the EaP. In 2011, further steps were taken to strengthen **bilateral dialogues** on these matters. In April, the EU held the second round of its HRD with the Republic of Moldova. In June, the fourth round of the HRD with Georgia took place. The third meeting of the EU-Armenia HRD followed in December. In May, for the first time, the EU and Ukraine held a discussion on human rights questions within the JFS Sub-committee. Issues related to democracy and human rights were also discussed with Azerbaijan in the Sub-committee for JFS and Human Rights and Democracy in November.

The HRD were complemented by **joint civil society seminars**, allowing non-governmental organisations and experts from both sides to have an in-depth discussion on human rights issues and to make recommendations to the participants in the dialogues. In 2011, seminars of this kind took place in Azerbaijan, the Republic of Moldova and Armenia.

## **2.2. Economic Integration**

➤ *Deep and Comprehensive Free Trade Areas (DCFTAs)*

Except for Belarus, in 2011 the EU continued negotiations with all EaP countries on AAs which will provide, *inter alia*, the establishment of DCFTAs. In the cases of the Republic of Moldova, Georgia and Armenia, negotiations were subject to the precondition that these countries fulfil a number of key recommendations. With **Ukraine, negotiations on the DCFTA were finalised in December 2011** as an integral part of the AA negotiations. Also in December 2011, the EU concluded that **Georgia and the Republic of Moldova had made sufficient progress** in trade-related reforms required for the start of negotiations on a DCFTA and took a decision to launch these negotiations. In 2011, **Armenia** made significant progress in the preparations for the DCFTA negotiations by advancing with implementation of the necessary reforms, focusing on sanitary and phytosanitary issues, technical barriers to trade and on intellectual property rights. Following a recommendation from the Commission, in February 2012 the Trade Policy Committee agreed that Armenia had made sufficient progress on implementation of the Commission's key recommendations and that negotiations on a DCFTA could start soon.

➤ *Macro-economic dialogues*

In 2011, **macro-economic dialogues** were conducted with the six EaP countries. These allowed a frank exchange on economic developments and policy challenges, including on the implications of the sovereign debt crisis in the euro area for the EaP countries. The dialogues provided an opportunity to review implementation of the economic reform priorities identified in the ENP Action Plans and the Association Agenda. They took into account the ongoing EU macrofinancial assistance (MFA) programmes, which help partner countries to address short-term balance of payments difficulties. The Republic of Moldova's MFA programme, about to be completed,

offered €90 million in grant money, of which €60 million had been disbursed by the end of the year. The Ukraine programme, now being prepared, involves €610 million in loans. Armenia has benefited from €100 million in grants and loans, and Georgia's €46 million is still awaiting the legislative approval. The macro-economic dialogue with Belarus was the first of its kind and resulted in the joint signature of conclusions committing the Belarusian authorities to strengthen macro-economic stability and systemic reform efforts.

### 2.3. Mobility

As reiterated by the EaP Warsaw Summit in September, enhancing **mobility** of citizens in a secure and well-managed environment remains a guiding principle of the EaP. This objective includes establishment of **visa free regimes in due course**, on a case by case basis. Specific steps have already been taken to make it easier, cheaper and faster for Eastern neighbours to enter the EU, with visa facilitation agreements as an intermediate step towards visa free travel. Implementation of the **Visa Facilitation and Readmission Agreements** between the EU and **Ukraine** and the **Republic of Moldova** continued in 2011, and new agreements with **Georgia** on the same subject entered into force in March 2011. The first two meetings of the EU-Georgia Joint Committee in 2011 assessed implementation of the new agreements as smooth and effective. Negotiations on amendments to the EU-Republic of Moldova and EU-Ukraine Visa Facilitation Agreements were finalised. Negotiations of Visa Facilitation and Readmission Agreements with Armenia and Azerbaijan started in March 2012, following the approval of EU negotiating mandates in December 2011.

In 2011, the EaP took a clear commitment to strengthen cooperation in the area of **JFS**. In September, the Commission put forward concrete proposals aiming at further enhancing the level of political and operational cooperation towards establishment of a Common Justice and Home Affairs (JHA) Space between the EU and its Eastern partners. For Ukraine and the Republic of Moldova in particular, the Visa Liberalisation Action Plans proved to be key incentives for pushing forward reform in the JFS area.

The reform of the **judiciary and fight against corruption** in the EaP countries continued to be major concerns. Progress was registered on migration, but establishment of modern and effective systems for asylum and international protection are still to be addressed in most EaP countries. Assessments of data protection legislation were launched for the Republic of Moldova and Ukraine, which are currently negotiating cooperation agreements with Europol and Eurojust.

Renewed attention was given to the **anti-drugs policy**, and new drugs dialogues were started in October with the Republic of Moldova, Armenia, Georgia and Azerbaijan. Cooperation with the European Monitoring Centre for Drugs and Drug Addiction progressed and all EaP partners took part in the September 2011 Kiev TAIEX seminar on evidence-based drug policies and data collection on treatment and drug-related infectious diseases. In order to enhance regional police cooperation, preparations began for the launch of the EuroEast Police project in early 2012.

➤ Mobility Partnerships

**Mobility Partnerships (MP)** are an innovative and comprehensive way to foster cooperation on migration and mobility issues, including legal migration, the fight against irregular migration, international protection, and migration and development. Three of the four MPs signed so far concern the EaP region (Republic of Moldova, Georgia and Armenia).

➤ Action Plans on Visa Liberalisation

Visa dialogues with Ukraine and the Republic of Moldova advanced substantially in 2011, based of the **Action Plans on Visa Liberalisation** presented to the two countries in November 2010 and January 2011 respectively. Reports on progress made by Ukraine and the Republic of Moldova on implementation of the Action Plans, issued by the Commission services and the EEAS in September 2011 and February 2012 confirmed that the Action Plans are powerful tools for advancing reforms in partner countries in the area of JFS. An expert mission to Georgia, which took place in March 2012, assessed Georgia's readiness to start a visa liberalisation dialogue with the EU.

➤ Application of the Visa Code

Since April 2011, Schengen countries are obliged, under the **EU Visa Code**, to give reasons for a visa refusal and to offer the possibility of an appeal. In 2011, particular attention was paid to establishing effective local Schengen cooperation between Schengen consular services in the EaP partner countries.

#### **2.4. Comprehensive Institution Building Programmes**

In addition to and complementing the ongoing implementation of assistance programmes - which include important institution building components - work continued with five EaP partners (all except Belarus) on the launch of **Comprehensive Institution Building Programmes (CIB)**. With a total budget of €167.4 million, CIB are specifically intended to help partner countries meet the pre-conditions for negotiating and concluding AAs and DCFTAs, and their related commitments.

Technical assistance has been provided to help all partners develop the institutional reform plans for the targeted institutions. At the beginning of 2012, most countries have finalised the reform plans; many of them have been formally adopted, thus paving the way for the CIB implementation phase.

### **3. PARTICIPATION IN EU PROGRAMMES AND AGENCIES AND SECTOR CO-OPERATION**

#### **3.1. Participation of partner countries in EU programmes and Agencies**

To help making further progress with regard to EaP countries' participation in the work of EU agencies and programmes, EaP countries were invited in 2011 to express their specific priorities and interests. On this basis, a first indicative list of priority EU programmes for participation of partner countries was established.

Protocols allowing for the participation of the Republic of Moldova and Ukraine in EU programmes entered into force in May and November 2011 respectively. Following signature of a Memorandum of Understanding, the Republic of Moldova was associated to the 7<sup>th</sup> Framework Programme for Research and Technological Development (FP 7) from January 2012. Protocols with further EaP countries can be negotiated, based on mutual agreement. Cooperation between EU agencies and EaP countries continued in 2011, notably in the areas of justice and home affairs, aviation safety (European Aviation Safety Agency) and health (European Centre for Disease Prevention and Control). Efforts were also made to strengthen cooperation with other agencies in the area of justice, freedom and security.

The EU is also preparing an assistance project to support preparatory measures facilitating cooperation between the EU agencies and the EaP countries. Possible co-funding of participation in EU programmes can be granted under the national allocations of the ENPI.

### **3.2. Energy and Transport**

#### *Energy Community/Integrating energy markets*

With a view to enhancing common energy security, Eastern partners are committed to gradually integrating with EU energy markets, in particular through approximating with EU internal energy market rules and strengthening network interconnections.

Involvement in the Energy Community strongly supports such integration. In February 2011 Ukraine became a member of this Community; it now needs to implement fully the Energy Community Treaty obligations. In 2011, the Republic of Moldova held the Community's rotating Presidency and took steps to implement Treaty obligations. Georgia continued its observership and Armenia became an observer. Azerbaijan and the EU strengthened their energy partnership, including on the strategic Southern Corridor and continued the dialogue on approximation with the EU internal energy market rules. The EU and Belarus discussed market integration in the course of their technical energy dialogue.

Several energy network projects advanced in 2011. On the Southern Corridor, Azerbaijan and Turkey agreed transit and gas sale terms on the Azerbaijani Shah Deniz II field. The EU, Azerbaijan and Turkmenistan started negotiations on a trans-Caspian gas pipeline. A feasibility study was launched on the Azerbaijan-Georgia-Romania Interconnection project, aiming to export liquefied natural gas through the Black Sea. Azerbaijan, Georgia, Lithuania, Poland and Ukraine furthered their work towards a Euro-Asian Oil Transportation Corridor. Azerbaijan, Georgia and Turkey continued developing the Black Sea Electricity Transmission line. Ukraine and the Republic of Moldova pursued their efforts on future interconnection of their electricity networks to the continental European power system. Following up the 2009 EU-Ukraine conference on modernisation of the Ukrainian gas transit system, the EU-supported feasibility study and environmental and social impact study progressed.

The EU is giving a particular attention to strengthening **transport** cooperation with the EaP countries. Transport Ministers of the EU and the partner countries set out key priorities for cooperation in a Joint Declaration on transport cooperation between the

EU and EaP countries. To oversee transport cooperation and to streamline the implementation of regional transport cooperation, the ministers established the EaP Transport Panel in October 2011. In the aviation sector, comprehensive air services agreement was initialled with the Republic of Moldova in October 2011 and is expected to be signed soon. In October, the EU Member States granted the Commission a mandate to negotiate a similar agreement with Azerbaijan and negotiations should start in the first half of 2012. Economic impact of concluding such an agreement with Armenia has been examined. The EU and Georgia have already signed a comprehensive air services agreement in 2010. The agreements aim to open the respective markets and integrate the partner countries into a wider European common aviation area. Partner countries will harmonise their legislation with the EU standards and implement EU aviation rules. A draft agreement with Ukraine remains under negotiations.

### **3.3. Environment and Climate Change**

#### *3.3.1. Environment*

Progress towards a green economy is a key objective within the EaP. In 2011, the EU assisted partners identify relevant measures. A dedicated study and a seminar were organised. An EU-financed study was also published to highlight the social, health and economic benefits of enhanced environment protection in partner countries.

The Shared Environmental Information System is being developed to improve collection and management of environmental data and indicators. EaP countries adopted (Belarus and Ukraine) or prepared (Armenia, Azerbaijan, Georgia and the Republic of Moldova) national environmental action plans or strategies. The Republic of Moldova published a state-of-the-environment report and Ukraine adopted legislation on access to information. Administrative capacity remains a challenge and environmental impact assessments require attention.

An EU-financed project on air quality governance was launched, and several other projects advanced, for example on waste management and forest law enforcement and governance. The EU also allocated funding to tackle obsolete pesticides. The Regional Environmental Centres in the Republic of Moldova and in Southern Caucasus continued their activities. Implementation of ratified multilateral environment agreements requires attention.

#### *3.3.2. Climate change*

The EaP Warsaw Summit recognised the importance of taking action to address climate change, promoting relevant dialogue and sharing best practices. The EU allocated €18 million for a regional project on climate change mitigation and adaptation.

Action taken by EaP partners in 2011 includes submission by Azerbaijan of its second national communication to the United Nations Framework Convention on Climate Change (UNFCCC), preparation of mitigation and adaptation strategies by the Republic of Moldova, organisation of its third climate week by Georgia, and preparation by Ukraine of legislation on emissions trading.

Eastern partners are encouraged to build capacity and engage in the new carbon market mechanism to be developed following the 17<sup>th</sup> Conference of the Parties (COP) of the UNFCCC in Durban. They are also encouraged to fully implement the agreements on climate action reached at the Cancun and Durban COPs and in particular to device low-carbon development strategies.

#### **3.4. Pilot regional development programmes (PRDPs)**

After a meeting with partner countries representatives in Brussels in June to further explain and clarify the PRDP approach, the partner countries were invited to share their regional development strategies with the EU. Some of these, such as the strategy for the Republic of Moldova, provide a good basis for developing PRDPs. Other countries still have to work on their strategies. The cohesion dimension, i.e reducing social and economic disparities between regions, which is the cornerstone of the PRDPs, was not always properly addressed in the documents presented and discussions are still on-going with the partner countries.

In addition, given the large budget support programmes for regional development which are currently on-going in Ukraine and Georgia, it was necessary to better define the specificity and added-value of the PRDPs. In the framework of these programmes, complementary specific activities will be identified, to be financed through the additional PRDP funds.

#### **3.5. European Neighbourhood Programme for Agriculture and Rural Development (ENPARD)**

In order to take forward ENPARD in the Eastern Neighbourhood, the European Commission has started negotiations with FAO in order to launch an assessment of the agriculture and rural development sectors in partner countries. The study is aimed at supporting Eastern European partners in the review of their agriculture policies and strategies and identify with them possible areas of possible future support. In Georgia, a large programme to support the agriculture sector, already in line with the ENPARD approach, is being finalized in close cooperation with the Commission.

#### **3.6 Common Knowledge and Information Space**

The development of a Common Knowledge and Innovation Space with the EaP Partners necessitates cooperation of research, coordination and networking between stakeholders and will require increased efforts from all EaP countries in building research capacity and increasing collaboration with EU researchers and research organisation. An important element of reaching this objective is the current active participation of partners in the EU's FP 7. FP 7 is fully open for the participation of researchers and research organisations in the EaP countries. However, current levels of participation are moderate and increased efforts are needed in all EaP countries to promote actively the opportunities available to their research communities. Specific support in this regard has been provided through the FP 7 International Cooperation (INCO) programme, which has offered opportunities to build research capacities and to promote Science and Technology (S&T) relations and the coordination of national research activities and the international cooperation activities of the EU Member

States with the region. Current projects include: the International Cooperation Network for Central Asian and South Caucasus countries, the S&T International Cooperation Network for Eastern European and Central Asian Countries and the European Research Area Network (ERANET) project Black Sea-ERA.NET on Networking on Science and Technology in the Black Sea Region.

#### 4. **STRENGTHENING OF MULTILATERAL CO-OPERATION**<sup>1</sup>

In 2011, each of the four EaP multilateral thematic platforms met twice. They continued to implement their work programmes and prepared new ones for 2012 – 2013. The platforms have established several new expert panels and provided input to the design of the flagship initiatives. Partners, EU Member States, EU institutions, international organisations and the EaP Civil Society Forum (CSF) have actively contributed and offered support and expertise to seminars and training programmes. Assistance from international organisations and international financing institutions (IFIs) has also been provided through different channels. During the Polish Presidency of the EU in the second half of the year, Poland hosted a significant number of sector meetings at ministerial level with partner countries.

##### 4.1. **Platform 1 - Democracy, good governance and stability**

Platform 1 aims to promote democratic principles, good governance and stability by improving key sectors of governance. Its 2009-11 work programme focused on improving the functioning of the judiciary, the fight against corruption, public administration reform and safe management of state borders. The implementation of the activities of the Platform is supported by the Council of Europe (CoE) under a CoE facility agreed for that purpose. Implementation of activities started in March 2011. The facility covers activities on electoral standards, judicial reform, good governance, the fight against corruption and cooperation against cybercrime.

In the field of *integrated border management* (IBM), the EaP IBM panel met twice in 2011, in Vilnius and Tbilisi. The meetings took stock of implementation of the flagship initiative and discussed IBM strategies, the fight against smuggling of goods, especially cigarettes, green border surveillance and early-warning mechanisms. The Commission's Action Plan to fight against the smuggling of cigarettes and alcohol along the EU Eastern Border<sup>2</sup> was presented to the participants.

The EuroEast Police project on *cooperation between law enforcement agencies* against cross-border crime between the EU and the EaP countries advanced through its identification phase with a view to the Commission decision due in 2012 in line with the Council conclusions of 13 December 2011 on cooperation in the areas of justice and home affairs within the Eastern Partnership.

The panel on the *fight against corruption* reviewed the situation in partner countries with technical assistance from the CoE. The panel's work plan was approved in Tbilisi in May 2011 at the same time as launching a number of regional seminars and

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<sup>1</sup>. Belarus participates in the multilateral track of the EaP.

<sup>2</sup>. SEC(2011)791

initiatives implemented by CoE. Good expert cooperation has been established with the EaP Civil Society Forum.

Platform 1 continued preparing the work plan of the panel on improving the *judiciary* in order to reinforce the bilateral work undertaken to secure greater judicial independence, effectiveness and impartiality of justice. Meanwhile, the CoE has continued implementing the justice component of the CoE facility.

The first panel on *public administration reform* met in Tallinn in October and agreed its three-year work programme. The work has already been started by thematic seminars and workshops on e-government and efficient local and regional level administrations held in 2011 in Tallinn and Kharkov respectively.

Bringing the Söderköping process under the aegis of the EaP in 2011 enhanced the dialogue and cooperation on the broader migration agenda. The new EaP *panel on migration and asylum* will help to strengthen asylum and migration systems of Eastern partners and advance the dialogue on migration and asylum issues amongst the Eastern partners and between them and the EU. The first meeting of this panel was held in Stockholm in December 2011.

#### **4.2. Platform 2 - Economic integration and convergence with EU sector policies**

##### **A. Areas of Work covered by the platform**

###### Fifth platform meeting (May 2011)

The platform followed up the discussion on labour market and social policies and discussed cooperation on questions of fiscal, exchange rate and monetary policy along with regional economic cooperation

###### Sixth platform meeting on (October 2011)

The platform focused on its new work programme 2012-2013, cooperation in the field of labour market and social policies and cooperation on transport.

##### **B. Areas of work covered by panels**

###### 1. Trade and Trade Related Regulatory Cooperation linked to DCFTAs

The negotiations on DCFTAs between the EU and its Eastern partners aim, *inter alia*, to increase access to each other's markets in order to provide exporters with a better opportunity to expand their presence on foreign markets.

Five trade panels were organised in 2011 in Brussels (February, March, June, October and December). They discussed:

- Technical regulations and standards, providing an overview of the EU legislative framework for marketing products;
- DCFTAs and the involvement of Chambers of Commerce in interaction with governments plus their support to the member companies to benefit from the DCFTAs;

- Competition policy, presenting an overview of the *acquis communautaire* in the trade-related fields;
- Services, investments and capital movement and
- Trade in goods.

## 2. Environment and Climate Change

A seminar on promotion of the green economy was held in Brussels in July. As background, the EU commissioned a study on Opportunities and options for promoting green economy in the EaP countries. The seminar discussed its results, presented views on greening the economy and made recommendations for future action, including with possible EU finance. The second panel on the environment and climate change took place in Brussels in September and established a flagship initiative to set up a Shared Environmental Information System in the ENP East area.

## 3. Small and Medium-sized Enterprise (SME) policy

A seminar with the SME coordinators of the six EaP partners was organised under the auspices of the SME panel in Brussels in March, co-chaired by the EU and the OECD. The purpose was to familiarise the SME coordinators with various aspects of the Small Business Act that will be covered within the EaP project on Enterprise Policy Assessment conducted by the EU, the OECD, the EBRD and the European Training Foundation. Preliminary results were discussed at the SME panel meeting in June in Prague, which focused on Enterprise and Competitiveness Policies and was organised back to back with an OECD ministerial meeting on Enterprise and Competitiveness Policies for Eastern Europe and the South Caucasus countries. In June, a combined OECD/EU working group was opened by a first round table on the results of the self-assessments of the partner countries regarding the EaP project on Enterprise Policy Assessment. The SME panel meeting focussed on access to finance and responsiveness of the administration to the problems of the SMEs (Think Small First). The Commission informed participants on the state of play with the SME flagship initiative.

## 4. Transport

The transport panel was established by Transport Ministers of EU Member States and of the Eastern Partnership countries in October 2011 with the task of following up actions set out in the Commission Communication 'The EU and its neighbouring regions: A renewed approach to transport cooperation'<sup>3</sup>. The first transport panel meeting was organised in October and discussed both policy reforms and infrastructure connections.

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<sup>3</sup> COM(415) 7.7.2011

## **C. Conferences, seminars and other activities**

### 1. Labour market and social policies

The Commission awarded the contract for a study on the Costs and benefits of labour mobility between the EU and the Eastern Partnership partner countries.

### 2. Cooperation in the field of transport

In 2011, the EU and the partner countries took several steps to strengthen transport cooperation under the EaP initiative. The Commission organised a transport seminar in March to consult the EU Member States the partner countries and IFIs on key issues of cooperation.

### 3. Cooperation in the field of statistics

Following a seminar on quality in statistics in June, the national statistical offices of the ENP-East countries undertook to start developing a comprehensive quality assurance framework to improve the quality of their statistics in key domains and to review progress in this matter in one year's time.

In addition, in October, a Polish Presidency conference on the Development of the European Statistical System within Eastern Partnership – directions and strategy, identified three areas where work is needed in order to help the statistical systems in the region reach European standards.

## **4.3. Platform 3 - Energy security**

### **A. Areas of work covered by the platform**

#### Fifth platform meeting (April 2011 in Brussels)

The meeting took place as part of the Sustainable Energy Week and was devoted to energy efficiency. Partners presented developments and projects supporting energy efficiency. Specific attention was paid to the Covenant of Mayors<sup>4</sup>, including presentations by Tbilisi, Lviv and Vila Nova de Gaia (Portugal).

#### Sixth platform meeting (October in Chisinau)

The meeting was held back to back with the Ministerial Council of the Energy Community. It was the first meeting of a platform in a partner country. The meeting focussed on energy developments in the Republic of Moldova, recent EU and EBRD initiatives and assistance to partner countries, in particular within the INOGATE energy cooperation programme. The work programme of the Platform for 2012-13 was discussed. Partner countries informed about their security of supply developments. The participants agreed that the Committee of the Regions and the European Economic and Social Committee (EESC) become permanent participants of this platform.

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<sup>4</sup> The Covenant of Mayors, involving regional and local authorities from the EU and beyond, aims to meet and exceed the European Union 20% CO<sub>2</sub> reduction objective by 2020.

## **B. Conferences, seminars and other activities**

In 2011, platform 3 meetings were organised back to back with other energy events to which partners were invited. For example, participants of the platform attended numerous seminars organised by the Commission during the Sustainable Energy Week (April), where EU initiatives on improving energy efficiency and increasing use of renewables in the energy mix were presented. In October, platform 3 participants attended a Social Forum organised by the Energy Community. A joint meeting between platform 3 and the Permanent High-Level Group of the Energy Community was also held.

### Conference on energy security

The conference was organised by the EESC with support of Hungarian Presidency, in Hungary in April.

#### **4.4. Platform 4 - Contacts between people**

Platform 4 supports interaction between EU and partner countries' citizens, focusing in particular on students, teachers, researchers, young people and cultural workers. It also supports development of the information society in the partner countries. In 2011, cooperation under this platform continued to be organised around a number of **EU cooperation programmes**, in the areas of higher education, youth, culture and research. Attention was paid to modernisation of higher education, to mobility of students, teachers, researchers and young people and to capacity-building and exchange of experience in cultural circles. A large regional **Tempus and Erasmus Mundus** information day was organised in December in Ukraine. A high level event on the mobility of students, academic staff, researchers, youth and cultural workers to and from the EaP countries called 'the Eastern dimension of mobility' took place in Warsaw in June.

EaP countries have expressed their interest in participating in the partial extension of the **eTwinning programme** for schools. The Commission has entered into the negotiation phase which should lead to the setting-up of Partner Support Agencies. Alongside this preparatory work, the Central Support Service of the eTwinning programme will create a new web portal for EaP school users.

The results of a study on **teacher education** in the EaP countries were discussed with Ministries of Education and teacher training institutions during a seminar held in Baku in October.

The EaP **Culture Programme** supports the development of local cultural policies. It involves capacity-building in institutions, monitoring, coaching and coordination of projects, and collection and dissemination of results. As a follow-up to the enlarged Cultural Contact Points meeting of March 2010, a regional seminar was held in Georgia in April 2011. It discussed how to make best use of the capacity-building component of the EaP Culture Programme and how to raise the profile of culture in a broader context. A regional Monitoring and Capacity-building Unit opened in Kiev in October. In the same month, the technical assistance team also started up round table discussions in each partner country. Under the published call for proposals, 15 grant contracts were signed in December.

An expert round table for stakeholders in the new EaP Youth Programme from the EaP partner countries was held in the Republic of Moldova in May to finalise identification of needs. The results of this round table fed into the EaP **Youth Programme**, with a total budget of €5.5 million which was approved in November. It will be composed of two complementary actions: the EaP Youth Programme that will mainly focus on the capacity-building of youth institutions in the region, and the grant component that will support concrete projects through a special window in the Youth Action Programme.

Work on the **Information Society** focused on mapping of information and communication technology (ICT) stakeholders, identifying research potential and priorities, organising training and assistance and enhancing the ICT policy dialogue. Cooperation between telecommunications regulators continued at workshops in June in Lithuania and in November in Spain. Work continued on improving high-speed connectivity with partner countries under the Black Sea interconnectivity initiative.

In the field of **research and innovation**, all Eastern partners continued to participate in the FP 7. Participation by researchers and research organisations in FP 7 continued to increase, notably in the Marie Curie international research staff exchange scheme and in the second European Research Area-wide call; both of which are targeted (in part) to the EaP region. Following the conclusion of a Memorandum of Understanding (MoU) with the EU, the Republic of Moldova is now formally associated with FP 7. Support from the EaP continued to provide an opportunity to increase networking with national contact points from the MS and the countries associated with FP 7. Thanks to this support, the legal and financial contacts for FP 7 in the EaP countries attended two training sessions in Brussels. Armenia, Belarus, the Republic of Moldova and Ukraine appointed legal and financial contacts for FP 7; Azerbaijan and Georgia are encouraged to do so.

#### **4.5. EaP flagship initiatives**

The **Integrated Border Management (IBM) flagship initiative** continued its activities in 2011. Its general aim is to improve security, reduce smuggling and human trafficking, and to facilitate mobility of people. Other aims are to help partner countries to develop integrated border management strategies and align their border management rules with EU standards.

Exchanges of best practices are taking place in a dedicated panel on IBM. Moreover, the IBM flagship initiative training project – with a budget of €2 million – is focusing on training and capacity-building of partners' border authorities. Several regional and national activities with the participation of representatives of the customs and border guard services of the EaP countries were carried out in the following areas: support for implementation of border management and action plans; document integrity and security; detection of drugs and smuggled products; protection of intellectual property rights; and anti-corruption.

A series of training sessions for representatives of customs and border guard services were also held as part of the project (295 members of staff of the beneficiary institutions have been trained).

In addition, a survey has been launched to assess the achievements of the EaP IBM Flagship Initiative Training (and other pilot projects). It is intended to collect the views and experiences of civil society representatives who are especially involved in cross-border movements of persons and goods, such as business associations, travel agencies and non-governmental organisations. The first results were expected in March 2012. Finally, the first pilot projects to enhance selected border crossing points between EaP countries were approved. These projects concern the Belarus-Ukraine border (Strengthening surveillance capacity on the green and blue border between the Republic of Belarus and Ukraine - €2.6 million) and the Georgia-Armenia border (Enhancement of the border management capabilities at the Ninotsminda-Bavra border crossing point – €2.9 million). These projects will provide expertise, equipment and infrastructure.

The **Prevention, Preparedness and Response to natural and man-made Disasters flagship initiative (PPRD-East)** is building up the capacity of participating countries for disaster prevention, preparedness and response at local, national and regional levels, and promoting cooperation with the EU and between the EaP countries. The first phase, already being implemented with a budget of €6 million, is reviewing existing resources and mechanisms available in the EaP countries and preparing a regional risk atlas.

The **Small and Medium-sized Enterprises (SMEs) flagship initiative** was set up to support the needs of SMEs in the EaP countries and to provide an external stimulus to growth and employment, with a total budget of around €34 million. It supports initiatives to improve the business climate, extend the advisory services to SMEs and establish an SME funding facility. The flagship initiative includes three components:

1. East-Invest, an investment and trade facilitation project (with a budget of approx. €9 million) which provides technical assistance to business support organisations and SMEs from the EaP countries. In July around 40 representatives of business organisations from the EaP countries participated in the East-Invest Academy (Irpen, Ukraine). Two ‘Train the trainers’ seminars were organised in spring in Minsk and Chisinau on EU *acquis* and internationalisation for 15 representatives of business organisations. Following these trainings, the trained trainers have given, together with international trainers, four seminars on the same topic. More than 200 SMEs benefited from such trainings on EU *acquis* and internationalisation across the region.
2. Enterprise Growth Programme (EGP) and Business Advisory Services (BAS) (both small business programmes) are technical assistance programmes, implemented by the European Bank for Reconstruction and Development (EBRD) and funded by the EU (€10 million for the period from 2010 to 2014). It aims to support sustainable development of the SMEs in the Eastern partner countries and to build a competitive infrastructure of local advisory services. EGP provides transfer of commercial and technical know-how from experienced senior managers from EU SMEs and BAS promotes involvement with local consulting services while supporting consolidation of local consultancy. Concrete examples in 2011 included: development of streamline organisational structure and strategy, development of Human Resources policy, new sales and marketing strategy, development of

management information system, development of computerised financial management etc.

3. In 2011, 17 EGP projects have started (with duration of approximately 1 to 1.5 years) and 156 BAS projects (shorter projects of approximately 4 to 6 months), out of which 79 BAS projects have already been completed in the entire region.

SMEs Funding Facility Project, with a budget of €15 million provided by the EU as risk-sharing cushion to leverage loans for SMEs from European financial institutions through the intermediary of local financial institutions. Several loans have been signed to date with local banks for on-lending to SMEs, such as: TBC Bank, ProCredit Bank, VneshtorgBank and the Bank of Georgia, BT Leasing in the Republic of Moldova, Ukrexim in Ukraine, etc.

The **Regional Electricity Markets, Energy Efficiency and Renewable Energy Sources** *flagship initiative* is focusing on improving integration of the electricity grid and encouraging sustainable energy as ways to address security of energy supply.

This flagship initiative is supported, *inter alia*, by the EU's regional energy cooperation programme INOGATE. In 2011, INOGATE provided funding of approximately €53 million for projects to support development of regional energy markets, energy efficiency and renewable energy sources.

Another key activity under this flagship initiative is the Covenant of Mayors, (CoM), which is being extended beyond the EU. Over 40 cities from the EaP region have already joined the CoM, thereby committing themselves to reduce their CO<sub>2</sub> emissions by 20% by 2020. Branch offices of the CoM were opened in Lviv and Tbilisi in 2011.

The EaP *flagship Initiative* on **Environmental Governance** aims at promoting environment protection by strengthening environmental governance in the partner countries. With a total financial envelope of around €32 million, these programmes address the main environmental challenges in the region, ranging from waste management to water and quality, including forestry, with a particular focus on improving management capacities on environmental information. Thanks to the active involvement of the partner countries, opportunities to move towards a greener economy have been identified and will be translated into a new regional programme. In addition, climate change adaptation and mitigation will be addressed by the Climate-East package (€18 million).

#### **4.6. Relations with other stakeholders**

##### *Euronest Parliamentary Assembly*

A Euronest Parliamentary Assembly (Euronest PA) was established at its constituent meeting on 3 May 2011. Its main goal is to support and promote the EaP and to provide a platform for parliamentary debate, control and review of all issues relating to the EaP. The Euronest PA met for its first ordinary session in Strasbourg on 15 September.

### Conference of Regional and Local Authorities of the EaP (CORLEAP)

The first meeting of CORLEAP took place on 8 September 2011 and laid the foundations for the regional dimension of the Partnership. It aims to facilitate local and regional authorities' contribution to the development of the EaP. The Conference adopted recommendations for the EaP and called for the implementation of projects to enhance local democracy and good governance at regional and local levels.

### Civil Society Forum (CSF)

The CSF continued its activities. The CSF Steering Committee and four working groups held regular meetings bringing together civil society organisations from the EaP and the EU, including the EESC. The CSF has been engaged in cooperation with representatives of governments by participating in activities of the EaP panels. Moreover, in November representatives of the Forum were invited to participate in all EaP Platforms as permanent participants. CSF National Platforms have been established in six EaP countries and were consolidated throughout the year. In September EU Delegations in EaP countries organised meetings with members of national platforms with the participation of representatives of partners' governments, laying the foundations for a structured dialogue. (It is not a dialogue between civil society and government – it is a dialogue between EU and civil society with participation of government – in other words it is not up to us to organise dialogue between civil society and government but facilitate and encourage...) A third assembly of the CSF took place in Poznan in November. It adopted a strategy for the future development of the Forum, providing a basis for more structured involvement of the CSF in the EaP.

### Business Forum

The first EaP Business Forum took place in Sopot in September on the fringes of the second EaP Summit. The Forum presented the business community's recommendations for further development of the EaP's economic aspects, including special facilities to help SMEs develop in the EaP countries.

### Information & Coordination Group

The informal Information and Coordination Group brings together donor countries, regional players and international financing institutions met for the second time in June 2011. The meeting focused on possible donor coordination in the area of SMEs.

## **5. MINISTERIAL MEETING AND ROADMAP**

On 29-30 September 2011, delegations from 27 EU member states and EaP partner countries met in Warsaw to discuss the future of the EaP and review its achievements since it was launched. The Summit was an opportunity to renew the political commitment of participating countries to the key objectives of the Partnership. The Warsaw meeting concluded with the adoption of a joint Declaration, which sent a clear signal to the partners that the EU is willing to assist them and talk about their European aspirations and forms of tighter integration. The Summit emphasized the common values and principles of liberty, democracy, respect for human rights,

fundamental freedoms and the rule of law. It acknowledged the European aspirations and the European choice of some Eastern European countries.

Because the EaP Summit was held late in the year, the EU MS and Partner countries agreed that the anticipated Ministerial Meeting should take place in June 2012.

The Warsaw Declaration included a call to prepare a Roadmap for the EaP which would list the objectives, instruments and actions for the Partnership and guide and monitor their implementation until the next Summit in the second half of 2013. The roadmap should set out clearly and concisely the jointly agreed objectives of the EaP stemming from the Prague and Warsaw Declarations, the reforms the partner countries aim to adopt in order to meet their objectives, the instruments and the support that the EU will provide and, finally, an indication of how advanced the Partner states will be towards achieving these objectives by the second half of 2013.

# 1. Summary of the Comprehensive Institution-Building (CIB) Programme

	Armenia	Azerbaijan	Georgia	Republic of Moldova	Ukraine
<b>Indicative allocations 2011-2013 (€ million)</b>	32.81	19.20	30.86	41.16	43.37
<b>CIB counterpart</b>	Minister of Economic Affairs in dialogue with Minister for Foreign Affairs	Minister for Foreign Affairs for political steer; Minister for Economic Development for IRPs and implementation	Deputy Prime Minister and Minister of European and Euro-Atlantic Integration	General Secretariat of the Government (new name of the State Chancellery)	National Agency of Ukraine on Civil Service (NACS) (new since July 2011)
<b>Key reform areas</b>	<p><b>1.</b> Political association/economic integration (AA negotiations)</p> <p><b>2.</b> Justice, freedom and security</p>	<p><b>1.</b> AA negotiations and further deepening of bilateral economic and trade relations</p> <p><b>2.</b> Justice and home affairs, including Visa Facilitation and Readmission Agreement (VFRA)</p>	<p><b>1.</b> Coordination of AA negotiations</p> <p><b>2.</b> Consolidation of democratic reforms, human rights and good governance  (oversight institutions)</p>	<p><b>1.</b> Public administration reform</p> <p><b>2.</b> Rule of law and respect for human rights and fundamental freedoms</p>	<p><b>1.</b> Steering and implementation of AA and DCFTA</p> <p><b>2.</b> Trade: Sanitary and phytosanitary measures (SPS)</p>

	3. DCFTA negotiations	3. Strengthening human and institutional capacity related to negotiating and implementing the future agreements	3. Trade, market and regulatory reform, DCFTA negotiations	3. Preparations for future DCFTA	3. Trade — state aid monitoring  4. Migration
<b>Signature of MoU/framework document</b>	24/11/2010	13/1/2011	2/10/2010	15/5/2010 (MoU) 26/11/2010 (FD)	14 October 2010
<b>State of preparation of Institutional Reform Plans (IRPs)</b>	All three IRPs finalised and adopted in December 2011	- <b>Cluster 1:</b> draft IRP, to be finalised (expected May 2012)  <b>Cluster2:</b> draft IRP, to be finalised (expected March 2012)  - <b>Cluster 3:</b> IRP	All IRPs (8) formally approved	All IRPs finalised – one for each Ministry/Agency, called <i>Strategic Development Programmes</i> (SDP). Most of them (24 out of 27) formally approved.	<b>Cluster 1:</b> IRP in the area of policy making for future EU-Ukraine Association Agreement is being revised by the MFA following the EU-Ukraine Summit on 19/12  <b>Cluster 2:</b> IRP on SPS agreed by the main stakeholders, currently undergoing a legal expertise in the Ministry of Justice

		completed (formal approval expected April 2012)			<p><b>Cluster 3:</b> IRP on state aid: postponed until adoption of the law on state aid</p> <p><b>Cluster 4:</b> IRP has been formally adopted on 12 October 2011</p>
<b>CIB funding</b>	€ 6.8 million in 2011 AAP; € 15 million earmarked in AAP 2012	€ 3 million in AAP 2011; € 7.8 million earmarked in AAP 2012	€ 7.345 million in AAP 2011; € 11 million earmarked in AAP 2012	€ 8 million in AAP 2011; € 17 million earmarked in AAP 2012	€ 20 million in AAP 2011; € 12 million earmarked in AAP 2012

<p><b>Institutions to be part of CIB</b></p>	<p><b>Cluster 1:</b> Ministry for Foreign Affairs, Diplomatic Academy</p> <p><b>Cluster 2:</b> Ministry for Foreign Affairs, State Migration Services, National Security Services, Police</p> <p><b>Cluster 3:</b> Min. of Economic Affairs and a number of implementing agencies</p>	<p><b>Cluster 1:</b> Ministry of Foreign Affairs; Ministry of Economic Development; Ministry of Taxes; Ministry of Agriculture; State Customs Committee; State Procurement Agency; State Committee on Standardisation, Metrology and Patents; Copyright Agency</p> <p><b>Cluster 2:</b> Ministry of Justice; Judicial Legal Council; Ministry of Interior; Ministry of Foreign Affairs; Ministry of Labour; State Border Service; State Migration Service; Ombudsman; Commission against Corruption; Central Election Commission</p>	<p><b>Cluster 1:</b> Ministry of Foreign Affairs; Ministry of European and Euro-Atlantic Integration; Prime Minister's office; Civil Registry Agency (under Ministry of Justice); "Matsne" (legal entity on charge of official translations, under Ministry of Justice)</p> <p><b>Cluster 2:</b> Public Defender's Office; Chamber of Control; Parliament</p> <p><b>Cluster 3:</b> National Service for Food Safety, Veterinary and Plant protection; National Accreditation Centre; National Agency for Standards, Technical Regulations and Metrology; Competition</p>	<p><b>Cluster 1:</b> State Chancellery; Ministry of Finance; Public Procurement Agency</p> <p><b>Cluster 2:</b> Ministry of Internal Affairs; Centre for Combating Economic Crimes and Corruption; General Prosecutor's Office</p> <p><b>Cluster 3:</b> Ministry of Economy; National Agency for the Protection of Competition; State Agency on Intellectual Property; Ministry of Agriculture and Food Industry; General Inspectorate for Phyto-Sanitary Surveillance and Seed Control; Sanitary-Veterinary and Animal Origin Food Safety Agency; Public Health</p>	<p><b>Cluster 1:</b> Secretariat of Cabinet of Ministers; Main. Dept of Civil Service; Ministry of Economy; Ministry of Finance; Ministry of Justice</p> <p><b>Cluster 2:</b> Ministry of Agrarian Policy; State Committees for Technical Regulation for Veterinary Medicine; National Commission for Codex Alimentarius</p> <p><b>Cluster 3:</b> Antimonopoly Commission; Ministry of Finance</p> <p><b>Cluster 4:</b> Ministry of Interior; State Committee for Nationalities and Religions; State Border</p>
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		<b>Cluster 3:</b> Civil Service Commission; Diplomatic Academy-	Authority	Service of the Ministry of Health	Guard Service
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## Summary of the EaP Flagship Initiatives

EaP flagship initiative	Project name	Total budget	Funds committed by the end of 2011	Comments
Integrated Border Management (IBM)	EaP IBM flagship initiative training project	€2 million	€2 million	Implementation began in January 2011
	Commission programme supporting IBM systems in the South Caucasus	€6.316.000 (the EU contribution amounts to EUR 6 million)	€6 million	Project included in the IBM flagship initiative when the initiative was created
	Pilot projects on the Belarus-Ukraine border and Georgia-Armenia border	€5.5 million	€5.5 million	Further pilot projects will be funded in 2012 and 2013
Small and Medium-sized Enterprises (SME) Facility	EAST INVEST — Eastern Partnership/SME Facility	€8.75 million	€7 million	
	SME Finance Facility — EIB window	€15 million	€15 million	

	TurnAround Management and Business Advisory Services (TAM-BAS) Programme in the Eastern partner countries	€10 million	€10 million	
	Enterprise policy performance assessment of the EaP countries	€5 million	€0.5 million	
Regional Electricity Markets, Energy Efficiency and Renewable Energy Sources (objectives of the initiative are supported by the INOGATE Programme)	Supporting participation by EaP and Central Asian cities in the CoM  INOGATE Technical Secretariat and Integrated Programme to support the Baku Initiative and the EaP energy objectives	€ 5 million  €17 million	€4967700  €16576230	In 2011 nine projects in the areas of energy market convergence, sustainable energy and security of energy supply were ongoing under the INOGATE  Programme in the EaP region with a value of approximately EUR 36 million
Prevention, Preparedness and Responses to natural and man-made Disasters (PPRD)	Programme for Prevention, Preparedness and Response to man-made and natural Disasters (PPRD-East)	€11 million	€5988000	A second phase should be launched in 2013
Environmental Governance	Towards a Shared Environmental Information System – SEIS – in the ENPI region	€13 million	€3 million  Projects worth a total	EUR 10 million will be added to support this flagship initiative until 2013

			of €22 million are ongoing in support of the initiative (i.e. waste governance, air quality, FLEG (Forest Law Enforcement and Governance) and SEIS)	
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## Summary of the Eastern Partnership multilateral financing activities

<b>Project name</b>	<b>Total budget</b>	<b>Funds committed by the end of 2011</b>	<b>Comments</b>
EaP Culture Programme	€12 million	€12 million	€3 million for reforms of public institutions and the cultural sector and €9 million in grants to civil society cultural organisations
Human Rights, Democracy and the Rule of Law – CoE Facility	€4 million	€4 million	Implementation started in 2011
EaP Youth Programme	€5.5 million	€5.5 million	Support for stakeholders in the youth sector (€3 million) and grants scheme (€2.5 million)
EaP Territorial Cooperation Support Programme	€18 million (€5.5 million for technical assistance contract in 2012 and €12.5 million for projects in 2013)	€5.5 million for technical assistance	The budget for the projects will be committed in 2013