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**Science and Technology  
as part of the European  
Neighbourhood Policy  
(ENP/ENPI)**

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## Executive summary

The report evaluates the importance of S&T in the ENPI for EECA countries through the assessment of existing instruments and mechanisms of the ENP as well as the implementation of its programmes and national agendas. Looking at the relevance of ENP/ENPI goals for the S&T landscape in the region, the report concludes that there is room for closer cooperation in this area between the EU and EECA countries. The instruments available under this policy framework could be used to strengthen national research infrastructure and to foster EECA participation in the EU Programmes open for the region (7th Framework Programme, Competitiveness and Innovation Programme, TEMPUS etc). Although the current budgetary framework is coming to an end, some of the recommendations can be useful for further EU policies targeting the EECA region.

## S&T as Part of the European Neighbourhood Policy (ENP/ENPI)

As it was initially conceived, the European Neighbourhood Policy's (ENP) vision involved a ring of countries sharing the EU's fundamental values and objectives, drawn into an increasingly close relationship, going beyond cooperation to involve a significant measure of economic and political integration. The EU was seeking to reinforce relations with neighbouring countries to the east and south in order to promote prosperity, stability and security at its borders.

At present, 16 partners are addressed by the ENP: Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, the Republic of Moldova, Morocco, the occupied Palestinian territory, Syria, Tunisia and Ukraine.

The ENP provides the EU with the means to deepen bilateral relations with these countries. The policy is based upon a mutual commitment to common values: democracy and human rights, rule of law, good governance, market economy principles and sustainable development.

Concrete actions for EU cooperation with countries from the region are envisaged within bilateral Action Plans signed between the EU and each ENP partner (12 of them have been agreed upon). These set out an agenda of political and economic reforms with short- and medium-term priorities of 3 to 5 years. S&T is one of the areas of cooperation under the Action Plans.

## Keywords

Eastern European and Central Asian countries, European Neighbourhood Policy, European Neighbourhood, Policy Instrument, Science, Innovation and Technology cooperation

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**note:****DG RELEX**

The Directorate-General for the External Relations (DG RELEX) (DG E VIII) was a Directorate-General of the European Commission, responsible for the external policy. The DG was merged into the European External Action Service in 2010, headed by Catherine Ashton (the High Representative).

# 1. General Goals of the European Neighbourhood and Partnership Instrument

Barbara Wick & Sergiu Porcescu<sup>1</sup>

The European Neighbourhood and Partnership Instrument (ENPI) is the financial instrument of the EU supporting the European Neighbourhood Policy as well as the Four Common Spaces (4CS) with Russia through a wide range of activities.<sup>2</sup> It came into force in 2007 and is legally based on EC Regulation No 1638/2006 of the European Parliament and of the Council of October 24, 2006.<sup>3</sup>

When the external aid of the EU was reformed, the geographical and thematic EU assistance programmes – i.e. the Technical Aid to the Commonwealth of Independent States instrument (TACIS) for the Eastern Neighbours and Russia, and Mésures d’Accompagnement Financières et Techniques (MEDA) for the Southern Mediterranean Neighbours - were replaced with a single instrument: the ENPI (Figure 1).

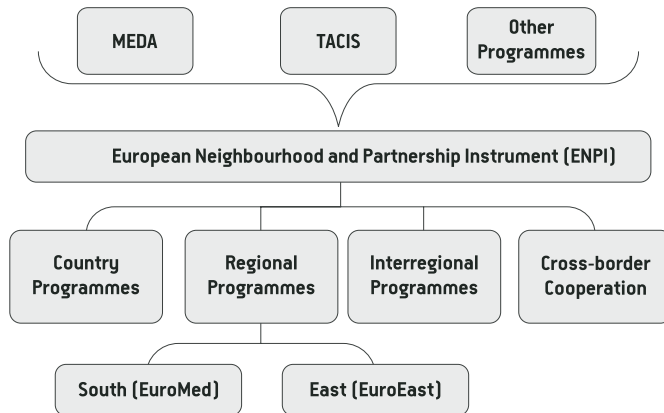


Figure 1 – The ENPI Structure

<sup>1</sup> Dr. Barbara Wick, Senior Scientific Officer at the International Bureau of the Federal Ministry of Education and Research at the Project Management Agency c/o German Aerospace Center (DLR) and Mr Sergiu Porcescu, Head of European Integration and International Cooperation Department, Academy of Sciences of Moldova

<sup>2</sup> The Russian Federation was not included in the European Neighbourhood Policy. Instead, a Strategic Partnership was based on 4 “common spaces,” on which special dedicated Road Maps were agreed in May 2005, at the Moscow EU–Russia Summit ([http://eeas.europa.eu/russia/common\\_spaces/index\\_en.htm](http://eeas.europa.eu/russia/common_spaces/index_en.htm)).

The main goal of the ENPI is to support the reforms and needs of partner countries by providing EC assistance and, therefore, the main responsibility lies within DG RELEX (External Relations) and DG DEVCO (formerly EuropeAid), as well as the EU delegations to the specific countries<sup>4</sup>. The scope of the ENPI-Regulation is specified in Article 2 of the EC Regulation. It aims at promoting good governance and social development in the European Neighbourhood countries: closer political links, partial economic integration, support to meet EU standards and assistance with economic and social reforms<sup>5</sup>. The field of S&T is mainly represented by issues (t) and (u):

*“Community assistance shall be used to support measures within the following areas of cooperation: ... (t) promoting participation in Community research and innovation activities; (u) promoting cooperation between the Member States and partner countries in higher education and mobility of teachers, researchers and students;...”<sup>6</sup>.*

The ENPI is the main source of EU funding for 17 partner countries, eight Mediterranean (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, the Palestinian Authority, Tunisia) and six Eastern European countries (Armenia, Azerbaijan, Georgia, Moldova, Ukraine, plus Russia). For Belarus, Libya and Syria there are no ENP agreements in force yet. The ENPI is more flexible and policy driven than the former TACIS and MEDA programmes, as the allocation of funds depends on a country's needs and absorption capacity as well as the degree of implementation of agreed reforms.

## 2. ENPI Regional Programmes - Eastern Partnership

In order to complement the single policy of the EU with each individual neighbour and to develop synergies and responses to the specific geographic, economic and social challenges of each region, regional and multilateral cooperation initiatives

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<sup>3</sup> REGULATION (EC) No 1638/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 24 October, 2006 laying down general provisions to establish a European Neighbourhood and Partnership Instrument, available under: [http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/documents/enpi\\_regulation\\_en.pdf](http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/documents/enpi_regulation_en.pdf)

<sup>4</sup> Official website of Europe External Policy Advisors, available under: [www.enpi-programming.eu/wcm/en/what-is-enpi-programming/enp-enpi-differences.html](http://www.enpi-programming.eu/wcm/en/what-is-enpi-programming/enp-enpi-differences.html)

<sup>5</sup> EINF Info Centre: [http://www.enpi-info.eu/main.php?id=344&id\\_type=2](http://www.enpi-info.eu/main.php?id=344&id_type=2)

<sup>6</sup> REGULATION (EC) No 1638/2006, p. L 310/3 f., Article 2 (t)-(u), available under: [http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/documents/enpi\\_regulation\\_en.pdf](http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/documents/enpi_regulation_en.pdf).

were included: the Eastern Partnership (EaP; launched in Prague in May 2009 at the Joint Declaration of the Prague Eastern Partnership Summit<sup>7</sup>), and the Union for the Mediterranean (the Southern Euro-Mediterranean Partnership, formerly known as the Barcelona Process, re-launched in Paris in July 2008). They build on the different historical legacies of past EU policies towards these regions<sup>8</sup>. To ensure continuity with the Regional Cooperation Programme 2000-2006 and the associated assistance under the TACIS Regional Programme, the five Central Asian Republics of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan may also benefit from funding through the ENPI Eastern Regional Programme on the basis of Art. 27 of the ENPI Regulation<sup>9</sup>.

The bilateral cooperation of the EU with each neighbour of the EaP specifically aims at pursuing

1. *Democracy, good governance and stability (platform 1);*
2. *Economic integration and convergence with EU policies through Association Agreements including Deep and Comprehensive Free Trade Area (DCFTA) (platform 2);*

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<sup>7</sup> [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/er/107589.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/107589.pdf)

<sup>8</sup> Eastern Partnership COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL (SEC(2008) 2974), Brussels, 3.12.2008 COM(2008) 823 final and <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0303:FIN:EN:PDF>

<sup>9</sup> [http://ec.europa.eu/world/enp/pdf/country/enpi\\_eastern\\_rsp\\_en.pdf](http://ec.europa.eu/world/enp/pdf/country/enpi_eastern_rsp_en.pdf). "To ensure the coherence and effectiveness of Community assistance, the Commission may decide when adopting action programmes of the type referred to in Article 12 or the special measures referred to in Article 13, that countries, territories and regions eligible for Community assistance under the Pre-Accession Instrument or the financing instrument for development and economic cooperation and the overseas countries and territories associated with the Community are eligible for measures under this Regulation where the project or programme implemented is of a global, regional or cross-border nature." The principles for funding the Central Asian Republics' participation in ENPI Programmes through the ENPI Eastern regional programme will be that, in each case (Ref: ENPI Eastern Regional Indicative programme 2007-2010):

- 1) There should be clear added value in cross-regional cooperation in terms of building on existing linkages, activities or structures, or on increasing cooperation between the regions.
- 2) Where the 'centre of gravity' of the activity is in the ENPI Eastern region, with the majority of activities taking place within the ENPI Eastern region, it may be funded through the ENPI Instrument.
- 3) Where activities primarily take place in or primarily benefit the Central Asian republics, they should be funded from the DCI Instrument.
- 4) There must be a clear and coherent link with the DCI Central Asia Regional Strategy and Indicative Programme.

3. *Energy security (platform 3);*
4. *Contacts between people (platform 4).*

Meetings are held at least twice a year at the level of senior officials engaged in reform work in the relevant policy areas. The platforms report to the annual meetings of Ministers of Foreign Affairs of the EaP. The work of the platforms may occasionally be promoted through sector-specific Ministerial meetings. Each platform can establish panels in order to support its work in specific areas.

There are separate ENPI Regional Programmes for the Eastern and Southern Region, as well as for interregional cooperation within ENPI. These Regional Programmes address issues of regional scope, i.e. issues or problems that exist throughout a specific region and cannot be handled on a national level.

In conformity with the programming process of the ENPI, the basic strategic documents underlying the cooperation between the EU and the ENPI Eastern region are the *Regional Strategy Paper 2007-2013 (RSP)*<sup>10</sup>, which was adopted by the European Commission in March 2007, and the *ENPI Eastern Regional Indicative Programme 2007-2010* (legal base (EC) 1638/2006). They indicate the priority areas of cooperation and the size of funding.

The RSP is intended to complement the Country Strategy Papers (CSPs) produced for each country in the region (Armenia, Azerbaijan, Belarus, Georgia, Moldova, the Russian Federation and Ukraine). These CSPs are the primary strategy documents for the EC's engagement with ENPI Eastern Countries, and so the RSP is primarily concerned with assistance at regional level. Specific areas mentioned and which include S&T cooperation are development and environmental protection on the one hand and diversification and security of energy supplies on the other hand. However, S&T activities in general are not mentioned as main objectives of the RSP, but are seen more as a way "to foster better understanding between populations, policies and people"<sup>11</sup>. Moreover, with respect to support of S&T activities or networking activities, the RSP refers to the Framework Programmes (FPs) as the main instrument<sup>12</sup>.

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<sup>10</sup> ENPI Eastern Regional Strategy Paper for 2007 to 2013: [http://www.enpi.org.ua/fileadmin/user\\_upload/documents/enp/enpi\\_eastern\\_rsp\\_en.pdf](http://www.enpi.org.ua/fileadmin/user_upload/documents/enp/enpi_eastern_rsp_en.pdf)

<sup>11</sup> ENPI Eastern Regional Programme Strategy Paper 2007-2013, p. 12, available under: [http://ec.europa.eu/world/enp/pdf/country/enpi\\_eastern\\_rsp\\_en.pdf](http://ec.europa.eu/world/enp/pdf/country/enpi_eastern_rsp_en.pdf)

<sup>12</sup> Ibid, p. 10.



The ENPI Eastern Regional Indicative Programme 2007-2010<sup>13</sup> had a budget of € 223.5 million and was managed by DG RELEX, Unit E/2.

There are five strategic priority areas:

1. *Networks (transport, energy, SME regional cooperation<sup>14</sup>);*
2. *Environment and forestry<sup>15</sup>;*
3. *Border and migration management<sup>16</sup>; fight against transnational organised crime and customs;*
4. *People-to-people activities, information and support;*
5. *Anti-personnel landmines, explosive remnants of war, small arms light weapons.*

### 3. ENPI Programming and budget

Eligible measures for each recipient country are individually adapted to their particular requirements and are consequently subjected to a comprehensive programming process. The programming follows consecutive steps:

- Country Reports;
- ENP-Action Plans;
- Long-term Strategy Papers (Country Strategy Paper);
- National Indicative Programmes (NIP); and
- Annual Action Programmes (AAP) (Table 1).

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<sup>13</sup> The structure of the Regional Indicative Programme for 2010-2013 has changed in some aspects, although without significantly modifying the basic strategic targets and will not be regarded separately. There are four priority areas: Democracy, Good Governance and Stability; Economic Development; Climate Change, Energy and Environment; Advancing Integration with the EU and Regional Cooperation. The overall budget has been raised to € 348.57 million for 2010-2013 compared to the budget of € 223.5 million for the period of 2007-2010.

<sup>14</sup> [http://eeas.europa.eu/eastern/initiatives/docs/fs\\_sme\\_marinelli\\_en.pdf](http://eeas.europa.eu/eastern/initiatives/docs/fs_sme_marinelli_en.pdf) and [http://eeas.europa.eu/eastern/initiatives/docs/fs\\_sme\\_marinelli\\_en.pdf](http://eeas.europa.eu/eastern/initiatives/docs/fs_sme_marinelli_en.pdf)

<sup>15</sup> [http://eeas.europa.eu/eastern/initiatives/docs/fs\\_civil\\_protection\\_canciani\\_en.pdf](http://eeas.europa.eu/eastern/initiatives/docs/fs_civil_protection_canciani_en.pdf)

<sup>16</sup> [http://eeas.europa.eu/eastern/initiatives/docs/fs\\_integrated\\_border\\_management\\_canciani\\_en.pdf](http://eeas.europa.eu/eastern/initiatives/docs/fs_integrated_border_management_canciani_en.pdf)

Table 1 - ENPI Programmes and Key Players of ENPI Programming

Country Strategy Paper	National Indicative Programme (NIP)	Annual Action Programme (AAP)
<p><b>DG RELEX:</b></p> <ul style="list-style-type: none"> <li>• 7 years: 2007-2013</li> <li>• Strategy for overall period</li> <li>• Defines instruments</li> <li>• Defines NIP</li> </ul>	<p><b>DG RELEX:</b></p> <ul style="list-style-type: none"> <li>• Mid-term strategy: 3-4 years</li> <li>• Contains key documents</li> <li>• For every individual country</li> <li>• Defines AAP</li> </ul>	<p><b>DG DEVCO:</b></p> <ul style="list-style-type: none"> <li>• Defines which projects are funded and the amount of money allocated</li> <li>• Programming of tenders and projects:               <ol style="list-style-type: none"> <li>1. Country projects (bilateral)</li> <li>2. Regional/interregional projects:                   <ul style="list-style-type: none"> <li>- TEMPUS</li> <li>- Erasmus Mundus</li> <li>- Governance Facility (GF)</li> <li>- Neighbourhood Investment facility (NIF)</li> <li>- TAIEX</li> <li>- Twinning</li> <li>- SIGMA</li> <li>- CIUDAD</li> <li>- NOGATE</li> <li>- TRACEA</li> </ul> </li> <li>3. Cross-Border-Cooperation (CBC)</li> </ol> </li> </ul>

**Country Reports** are prepared by the EU and cover the political, economic, social and institutional situation in each country plus the progress made in implementing the bilateral agreements and reforms. They are sent to the Council of Ministers (EU-MS Governments) which then decide if the EU shall go ahead with the subsequent Action Plan<sup>17</sup>.

<sup>17</sup> [http://ec.europa.eu/world/enp/documents\\_en.htm#2](http://ec.europa.eu/world/enp/documents_en.htm#2).

The **ENP-Action Plan** is a political document which specifies the strategic objectives of the agreed economic and political reform with short- and medium-term priorities. The Action Plan covers a period of 5 years. Priorities identified by the EU and the respective country may differ for each country, they all cover, however, political dialogue and economic reform, sectoral issues such as transport, energy, information, society, environment, research, development, and people-to-people contacts. The Action Plan is regularly updated and checked for its implementation status.

The **Country Strategy Papers** between the EU and the respective countries are derived from the ENP-Action Plan and constitute the Framework for the ENPI. DG RELEX plays the leading role. It is responsible not only for the Strategy Papers, which define the actions' strategy for the forthcoming 7 years and give an overview of all priorities of the Commission assistance as well as containing all existing instruments, but also for the National Indicative Programmes (NIP).

**NIPs** have a medium-term planning horizon of about 3 to 4 years. They are the key documents setting the planning and identification of the EU's financial cooperation with every individual partner country.

Regarding the **Annual Actions Programmes** (AAP), DG DEVCO holds responsibility for the programming. The AAPs implement the NIP. They define, in the short-term, several project actions for ENPI implementation and identify the amounts allocated to these actions. The AAPs are approved by the representatives of the EU-MS in non-open ENPI – Programme Panels. DG DEVCO is also responsible, together with the respective EU-COM country delegations, for the programming of tenders and projects<sup>18</sup>.

Types of programmes covered by the Annual Action Programmes include:

- bilateral country programmes dealing with assistance to one specific partner country;
- multi-country programmes addressing Eastern regional and interregional cooperation between two or more partner countries, and in which MS may participate;
- cross-border cooperation programmes dealing with cooperation between one or more MS and one or more partner countries sharing a common land or sea border (Table 1)<sup>19</sup>.

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<sup>18</sup> PPT, The European Neighbourhood Policy (ENP), Jean-Louis Ville, EuropeAid Cooperation Office, available under: [http://www.aidfunding.mfa.gr/images/pdf/parousiasi\\_JeanLuisVille\\_ENPI.pdf](http://www.aidfunding.mfa.gr/images/pdf/parousiasi_JeanLuisVille_ENPI.pdf)

<sup>19</sup> EC Regulation No 1638/2006, p. L 310/5, Article 6, available under: [http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/documents/enpi\\_regulation\\_en.pdf](http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/documents/enpi_regulation_en.pdf)

Similarly to the regional programme, the main goal of the ENPI Interregional Programme (IRP) is to provide effective support for the implementation of the ENP as well as the Strategic Partnership with Russia and, at the same time, complement the regional and national programmes. While the ENPI regional programmes for the eastern and southern neighbourhood focus on one of the two regions, the IRP is meant to finance activities that are most effectively implemented by both regions in the same way. This is done for diverse reasons such as enhancing visibility and scope as well as strengthening cooperation and dialogue among all three regions, i.e. the EU, the southern and the eastern neighbouring countries. The IRP covers CIUDAD, Erasmus Mundus and TEMPUS, NIF, SIGMA and TAIEX.

All the programmes of the ENPI – Country, Regional, and Interregional, with the exception of the CBC Programmes, are subject to comitology. The influence of member states of the European Union is possible within comitology through examination procedures. A procedure which is currently under discussion to be modified into an advisory one in the future<sup>20</sup>. As for the CBC, partners from the eligible areas, through a bottom-up process, will develop individual programmes, and the objectives and content of these programmes. Thus, local and regional actors from both sides will work together on the joint programmes.

**Projects funded by the multi-country programmes are:**

The Erasmus Mundus/External Cooperation Window (ECW) programme offers financial support for academic cooperation (institutions and individuals); the External Cooperation Window (ECW) is a relatively new programme and was initiated by DG DEVCO. It specifically aims to increase mobility in the higher education sector between the EU and external partner countries such as the ENP countries and Russia.

TEMPUS (Trans-European Mobility Scheme for University Studies) supports the modernization of higher education.

Both programmes are managed by the Education, Audiovisual and Culture Executive Agency (EACEA) of the European Commission under the supervision of DG DEVCO and the DG for Enlargement (DG ELARG); the maximum EU grant contribution for both TEMPUS and ECW is 95 % of the total project budget (with some possible exceptions<sup>21</sup>).

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<sup>20</sup> Interview with a delegate from the Federal Ministry for Foreign Affairs, 15.12.2010

<sup>21</sup> For details see Article 253 of the Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002, available under: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2002:357:0001:0071:EN:PDF>

The Jean Monnet Programme fosters understanding of European integration and wider relations with the European Union.

Both the Governance Facility (GF) and the Neighbourhood Investment Facility (NIF) are new instruments of the EU to support governance and promote investment and SME development, respectively. The GF is not addressed in this report.

The NIF is an innovative financial instrument aimed at mobilising additional funding to cover the investment needs of the Neighbouring Region for infrastructures in sectors such as transport, energy, the environment and social issues (e.g. construction of schools or hospitals). The NIF provides grant support to lending operations by the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the Council of Europe Development Bank or the Nordic Investment Bank<sup>22</sup>. The NIF pursues three objectives:

- Establishing better energy and transport infrastructure interconnections between the EU and neighbouring countries and among neighbouring countries themselves;
- Addressing threats to the environment, including climate change;
- Promoting equitable socio-economic development and job creation through support for Small and Medium-sized Enterprises (SMEs) and the social sector.

It provides co-financing through direct grants, loan guarantees, interest rate subsidies, and technical assistance for project preparation and supervision. Under the NIF, € 25 million in both 2007 and 2009 as well as € 40 million in 2010 – a total of € 90 million – was allocated by the EU toward the ENPI Eastern Region<sup>23</sup>. The NIF Board (United EuropeAid A/6 “Multi-country programmes”) confirms projects hoping to access NIF funds.

The NIF operates bilaterally and regionally. Bilateral NIF funds are currently only accessed by Armenia, Georgia, Moldova and Ukraine<sup>24</sup>.

The EaP countries are also eligible for regional NIF funds. It is, however, not clear to what extent SMEs in the individual countries benefit from this fund and whether the provision of venture capital is linked to S&T projects. In 2010, the NIF approved 15 operations in

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<sup>22</sup> National European development banks of EU MS can be eligible for the NIF in some cases (e.g. KfW).

<sup>23</sup> Data for 2008 are not available.

<sup>24</sup> [http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/irc/investment\\_en.htm](http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/irc/investment_en.htm)

the Eastern and Southern partner countries, making a total contribution of over € 107 million to new investments worth around € 3.3 billion in transport, energy, water and sanitation, and support to the private sector<sup>25</sup>. In terms of geographical distribution, amounts allocated to the South and the East were fairly balanced, with seven projects approved in the South for a total NIF contribution of € 60 million (56%), and eight projects approved in the East for a total NIF contribution of € 47.5 million (44%).

TAIEX, Twinning and SIGMA are institution-building programmes designed to train policy-makers.

TAIEX (Technical Assistance and Information Exchange) was set up in 1996 and introduced to the ENP regions in 2006 to provide short-term, targeted technical assistance to the Central and Eastern European candidate countries. TAIEX helps partner countries to understand, draft and implement EU legislation related to the ENP-Action plans or to the National Indicative Programmes. It provides information on EU laws, arranges study visits to the European Commission and Members States, and provides a team of experts to offer advice on accession-related issues (seminars, workshops, and expert missions).

SIGMA (Support for Improvements in Governance and Management) is a joint European Commission and OECD initiative. Principally financed by the EU, SIGMA supports European Neighbourhood countries in their public administration reforms: strengthening public management in areas such as administrative reform, public procurement, public sector ethics, anti-corruption, and external and internal financial control. SIGMA is not discussed in this report.

Twinning is one of the most efficient tools for implementing administrative reform including S&T policy or innovation policy in regard to S&T<sup>26</sup>. It is a cooperation instrument between a Public Administration in a Neighbouring Country and the respective institution in an EU-MS with the aim to provide public sector expertise. The projects refer to the ENP Action Plan and National Indicative Programme; the results are mandatory and based on a common agreement. Twinning projects include seminars, workshops, internships, study visits, and training including trainers training.

The NCPs of the MS have an important role in the promotion, development and coordination of Twinning activities. Twinning may be implemented as classic Twinning

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<sup>25</sup> [http://www.enpi-info.eu/main.php?id=25087&id\\_type=1](http://www.enpi-info.eu/main.php?id=25087&id_type=1)

<sup>26</sup> [http://ec.europa.eu/enlargement/pdf/twinning\\_brochure\\_2005\\_en.pdf](http://ec.europa.eu/enlargement/pdf/twinning_brochure_2005_en.pdf)

(up to 24 months) or as light Twinning (up to 6 months). The budget to be requested is up to € 2 million per project.

Currently, Twinning projects are open to Armenia, Azerbaijan, Georgia, Moldova and Ukraine. Contractual agreements are under negotiation for Belarus and Russia<sup>27</sup>. For 2007-2013, Twinning (ENPI) has a total budget of € 11.967 billion<sup>28</sup>.

The TRACECA (Transport Corridor Europe-Caucasus-Asia) project started in 1993. It aims at developing a West-East transport corridor from Europe to Asia through South Caucasus. This project is not included in the report.

INOGATE projects specifically promote (1) good and sound energy regulatory practices, (2) sustainable energy development (energy efficiency, renewable energy and demand side management), (3) investment towards energy projects of common and regional interest, and (4) training and education of governments, the public as well as research and academic institutions. INOGATE projects can support S&T cooperation for SMEs (e.g. energy companies) or the greater participation of institutes in energy-related research for innovation. Thirteen projects are currently funded for EaP countries with a total budget of € 46 million.

CIUDAD (Cooperation in Inter Urban Development and Dialogue) projects promote cooperation between local and regional authorities in capacity building for improved governance in sustainable urban development and planning. CIUDAD is one of the first programmes that have encouraged ENP countries to implement projects across the two ENPI regions. Thematic issues discussed within CIUDAD include environmental sustainability, energy efficiency, social cohesion and good governance. The EU Climate Action calls for a 20% reduction in CO<sub>2</sub> emissions over 1990 levels, as well as a 20% increase in energy efficiency and 20% increase in energy from renewable energy sources (20-20-20). EU city municipalities actively participate in this process by joining the Covenant of Mayors, a voluntary agreement signed by cities that are willing to contribute to this plan by means of sustainable energy planning. In general, CIUDAD provides capacity building measures for the purpose of modernization and strengthening of local and regional governments. Between 2009 and 2012, 21 projects in the southern and eastern region are to be carried out and are co-financed with € 14 million by CIUDAD. Technical assistance for implementation is provided through the CIUDAD Supporting Mechanism.

<sup>27</sup> <http://www.bmwi.de/BMWi/Redaktion/PDF/E/eu-twinning-aufgaben,property=pdf,bereich=bmwi,sprache=de,rwb=true.pdf>

<sup>28</sup> <http://www.berlin.de/rbmskzl/europa/europapolitik/twinning.html>

Cross-Border-Cooperation (CBC) projects aim to promote economic and social development in border areas and to address common challenges within the region, such as environmental issues, public health or fight against organized crime.

Originally, the first CBC was funded under TACIS in 1996 and included separate instruments for different groups of countries. The projects were highly successful and made a real impact at the local level. The programme brought together regions of the EU Member States and ENP countries sharing a common land or sea border. The vast majority of these projects had finished by the end of 2009<sup>29</sup>. Since 2007, the ENPI has pulled together separate instruments into a single CBC programme. In conformity with the programming process of the ENPI, a single document combines the directives: a CBC Strategy Paper (2007-2013) and a CBC Indicative Programme (2007-2010 and 2011-2013). Both are based on the ENPI Regulation<sup>30</sup> and the associated Implementing Rules<sup>31</sup>.

Taking into consideration existing borders, two main categories of programmes are established under ENPI-CBC:

- Programmes covering a common land border or short sea crossing; and
- Programmes covering a sea basin.

Since 2007, 15 CBC programmes (9 land borders, 3 sea crossings and 3 sea basin programmes) have been established along the Eastern and Southern external borders of the European Union with a total funding of 1,118,434 million EUR for the 7-year-period 2007-2013 (Table 2)<sup>32</sup>. Cross-Border Cooperations are co-financed by the European Regional Development Fund (ERDF).

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<sup>29</sup> Common Spaces Progress Report 2009, p. 34 f., available under: [http://www.eeas.europa.eu/russia/docs/commonsaces\\_prog\\_report\\_2009\\_en.pdf](http://www.eeas.europa.eu/russia/docs/commonsaces_prog_report_2009_en.pdf)

<sup>30</sup> REGULATION (EC) No 1638/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument, available under: [http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/documents/enpi\\_regulation\\_en.pdf](http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/documents/enpi_regulation_en.pdf)

<sup>31</sup> COMMISSION REGULATION (EC) No 951/2007 of 9 August 2007 laying down implementing rules for cross-border cooperation programmes financed under Regulation (EC) No 1638/2006 of the European Parliament and of the Council laying down general provisions establishing a European Neighbourhood and Partnership Instrument, available under: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:210:0010:0025:EN:PDF>

<sup>32</sup> CBC Strategy Paper 2007-2013 & Indicative Programmes 2007-2010, available under: [http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/documents/enpi\\_cbc\\_sp\\_ip\\_2007-2013\\_final\\_en.pdf](http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/documents/enpi_cbc_sp_ip_2007-2013_final_en.pdf)



Assistance and training activities for CBC are provided by Interact ENPI and the Regional Capacity Building Initiative (RCBI). Interact ENPI helps institutions such as the Joint Managing Authorities, Joint Technical Secretariats or their branch offices with the day-to-day management of the ENPI Cross Border Cooperation programmes. Additionally, a series of networks and Lab Group meetings were organised to stimulate discussions between different programme authorities on various subjects of common interest. The RCBI deals with organizing training activities and partner search fora for potential applicants.

### ***Budget***

The overall allocation for the ENPI instrument amounts to almost € 12 billion for the seven-year-period 2007-2013. This represents an increase of 32%, in real terms, compared to the amount available over the period 2000-2006 for the MEDA and TACIS programmes. The Commission made a concrete decision on the breakdown of these funds for the period 2007-2010 and 2011-2013 (Table 2). The main focus lies on the country programmes, i.e. fostering the implementation of political, economic and social reform programmes in the individual partner countries. For 2011-2013, 67% of the € 5.7 billion available is earmarked to support the implementation of the ENP and the Common Spaces Road Maps for Russia. The secondary focus is on multi-country cooperation activities. For 2011-2013, a total of € 1,155.53 million will be available for all regional and interregional programmes. The smallest amount, € 293 million, is allocated to support Cross-Border Cooperation. For the new instruments GF and NIF around € 600 million is foreseen to support governance and to promote investment, respectively<sup>33</sup>. For the EaP initiative, the Commission has earmarked € 600 million for the period 2010-2013<sup>34</sup>.

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<sup>33</sup> European Neighbourhood and Partnership Instrument (ENPI). Funding 2007-2013, available under: [http://ec.europa.eu/world/enp/pdf/country/0703\\_enpi\\_figures\\_en.pdf](http://ec.europa.eu/world/enp/pdf/country/0703_enpi_figures_en.pdf)

<sup>34</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0303:FIN:EN:PDF> and Joint Staff Working Paper SEC (2011) 641 final

**Table 2 - ENPI, multi-annual allocations for the period 2007-2010 and 2011-2013, in million €<sup>35</sup>**

<b>Programmes</b>	<b>ENPI Total 2007-2010</b>	<b>ENPI Total 2011-2013</b>
Admin expenses (BA)	46.46	<b>162.35</b>
Multi-country programme		262.67
CBC	201.80 [+ 308 ERDF]	<b>292.86</b> [+ 283 ERDF]
GF	150	<b>150</b>
NIF	250	<b>450</b>
Multi-country activities		1,155.53
Country Allocations		
Total South		2,801.80
Armenia	97.40	<b>157.32</b>
Azerbaijan	68.00	<b>122.49</b>
Belarus	31.00	<b>80.26</b>
Georgia	222.40	<b>180.29</b>
Moldova	225.30	<b>273.14</b>
Russia <sup>1</sup>	62.50	<b>45.00</b>
Ukraine	522.60	470.05
Total Country Programme East	582.80	<b>1,328.54</b>
Regional Allocation East	247.75	<b>262.32</b>
Total East		1,590.86
<b>Grand total</b>	<b>5,621.20</b>	<b>5,710.54</b>

<sup>35</sup> [http://ec.europa.eu/world/enp/pdf/country/0703\\_enpi\\_figures\\_en.pdf](http://ec.europa.eu/world/enp/pdf/country/0703_enpi_figures_en.pdf).

These grants are direct financial contributions from the EU budget or the European Development Fund. The funds are used as donations to third parties engaged in external aid activities and to implement projects or activities that relate to the EU's external aid programmes. Grants are based on the reimbursement of the eligible costs, meaning costs effectively incurred by the beneficiaries that are deemed necessary for carrying out the activities in question. The results of the action thereby remain the property of the beneficiaries.

#### **4. Outlook: A new response to a changing Neighbourhood**

A new approach to the ENP was released for final endorsement (both Council and European Parliament) by the EU-COM and the High Representative of the European Union for Foreign Affairs and Security Policy in May 2011<sup>36</sup>. It is built on a review finalized in the summer of 2010 with the objective to strengthen the EU's foreign policy and to cooperate with Neighbouring Countries in a more effective manner, i.e. better targeted, greater flexibility, focus on a smaller number of priorities, backed with more precise benchmarks (key deliverables within a mutually agreed timeframe). Priorities focus on furthering democratization, sustainable economic and social development as well as strengthening the two regional dimensions of the ENP (Eastern Partnership and Southern Mediterranean). Bilateral Cooperations will be fostered with respect to academic mobility and institution building (Erasmus Mundus, TEMPUS), opening of future new EU programmes such as Lifelong Learning (LLL) to EaP countries, full integration of the research and education communities into ERA, and towards the Eastern Europe Energy Efficiency and Environment Partnership (E5P).

Additional resources of up to € 1,242 million until 2013 are assigned to this new response. These resources are in addition to the € 5.7 million already granted for the period 2011-2013 (Table 2). These top up funds will be mobilized from the NIF, bilateral partners, and International Financial Institutions (IFI), such as the European Investment Bank (EIB) or the European Bank for Reconstruction and Development (EBRD).

Planning for 2013 and beyond seeks to promote more flexible and simpler aid delivery, synchronize coordination between the EU, its MS and other key IFIs and bilateral donors. The key source of funding for bilateral, regional and CBC programmes will be managed by the new European Neighbourhood Instrument (ENI).

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<sup>36</sup> COM(2011)303final: Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: A new response to a changing Neighbourhood, 25 May 2011.

## 5. S&T as a part of ENPI at the country level: Moldova's case

The Republic of Moldova and the European Union first established contractual relations in 1994 through the Partnership and Cooperation Agreement, which entered into force in 1998. On that basis, an ENP Action Plan was adopted in February 2005 for a period of three years and was extended by mutual agreement from February 2008 onwards. In 2010, the EU and Moldova started negotiations on an EU-Moldova Association Agreement to further the political dialogue and deepen sectoral cooperation<sup>37</sup>.

In September 2010 an additional protocol to the PCA for opening the participation in EU programmes was signed. The protocol would allow the Republic of Moldova to participate in different EU programmes and agencies, such as the Seventh Framework Programme for Research and Technological Development, the European Environment Agency and the European Centre for Disease Prevention and Control.

Moldova has been an associated country to FP7 since January 1, 2012,

### ENP Action Plan

The ENP Action Plan is an extensive political document which covers: all areas of political dialogue and reform; cooperation on foreign and security policy; conflict prevention and crisis management; regional cooperation; cooperation for the settlement of the Transnistria conflict; economic and social reform and development; standards, technical regulations and conformity assessment procedures (EU harmonized areas); transport; energy; telecommunications; environment; research, development and innovation.

### Country Strategy Paper 2007-2013<sup>38</sup>

EC assistance over the period covered by this strategy focuses on three strategic categories:

(1) democratic development and good governance, (2) regulatory reform and administrative capacity building, and (3) poverty reduction and economic growth. S&T is addressed under sub-priority 1.4: *Education, Science and People-to-people contacts/exchanges*.

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<sup>37</sup> [http://eeas.europa.eu/delegations/moldova/eu\\_moldova/political\\_relations/index\\_en.htm](http://eeas.europa.eu/delegations/moldova/eu_moldova/political_relations/index_en.htm)

<sup>38</sup> [http://ec.europa.eu/world/enp/pdf/country/enpi\\_nip\\_moldova\\_en.pdf](http://ec.europa.eu/world/enp/pdf/country/enpi_nip_moldova_en.pdf)

### **National Indicative Programme 2007-2010**

The NIP 2007-2010 basically reflects the priority areas of cooperation between the EU and Moldova as outlined in the Country Strategy Paper.

Specific objectives related to S&T target the integration of Moldova into the European Research Area. Expected results are a greater capacity of research structures (human and material resources) with a focus on scientific excellence and stronger links between scientific and research communities in the EU and Moldova, including educational institutions or networks contributing to the development of business matchmaking in the context of trade support (Private-Public Partnerships in technology licensing and transfer).

The indicative budget for 2007-2010 was € 209.7 million.

### **National Indicative Programme 2011-2013**

The EC assistance for Moldova in 2011-2013 targets: (1) good governance, rule of law and fundamental freedoms, (2) social and human development, and (3) trade and sustainable development. S&T is addressed under sub-priority 3: *Environment & energy efficiency / renewable energy and diversification*. The latter focuses on the development and implementation of environmental policy and legislation, and the sustainable management of natural resources.

Moldova is encouraged to increase investment and capacity in research and development, in particular through increased involvement in the Seventh Framework Programme (FP7).

The indicative budget for the NIP 2011-2013 is € 273.14 million.

### **The Annual Action Plans 2007-2010**

No S&T cooperation was envisaged for the years 2007 and 2008.

In the AAPs of 2009 and 2010 two areas in the field of S&T were specified: (i) reforms in the water and sanitation sector (EU Water Initiative in the Republic of Moldova), and (ii) on secure, competitive and sustainable energy production (Energy and Biomass project). The multi-annual indicative budget was € 118 million.

### ***Multi-country cooperation projects (regional and interregional)***

**Forest Law Enforcement and Governance (FLEG)**

Participating countries:	Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russia, Ukraine
Timeframe:	2008-2011
Budget:	€ 7 million; € 6 million EC contribution and € 1 million co-finances from the World Wildlife Fund for Nature (WWF), the World Bank and the Union for the Conservation of Nature (IUCN)

The main objectives of the Programme in Moldova were to (i) enhance the capacity for forest management at community level and forestry enterprises, (ii) conduct analytical studies (forest marketing, illegal logging), and (iii) address key stakeholders in sustainable forest management (government, local communities, private sector, and NGOs).

**Sustainable integrated land use of Eurasian steppes**

Participating countries:	Moldova, Russia, Ukraine (Coordinator)
Timeframe:	2007-2009
Budget:	€ 2. 4 million

The project aimed at promoting and facilitating the restoration, conservation and sustainable management of the Eurasian steppes ecosystem. It further encouraged trans-boundary cooperation between states in the management of steppe resources. A further aspect was lobbying and promoting the issue of sustainable steppe land use management at legislative level. The project was awarded an honourable award in the environment category from the 'British Expertise' association (2008).

***INOGATE***

Moldova participates in 4 projects:

**1. Energy efficiency investments in Ukraine & Moldova**

Participating countries:	Moldova, Ukraine
Timeframe:	2006 - 2011
Budget:	€ 9.5 million

Within the framework of the EBRD's Sustainable Energy Initiative, the project made available financial resources for technical assistance and incentive payments in support of energy efficiency and renewable energy projects. It provided technical, financial, legal and environmental expertise to potential beneficiaries. At the same time it encouraged spillover effects in the banking, industry and household sectors.

Further projects are:

2. **Support to Kyoto Protocol Implementation, SKPI** together with Armenia, Azerbaijan, Belarus, Georgia, Russia, Ukraine, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.
3. **Energy saving in the building sector in Eastern Europe and Central Asia** together with Armenia, Azerbaijan, Belarus, Georgia, Russia, Ukraine, Kazakhstan, Kyrgyzstan, Tajikistan and Turkmenistan.
4. **Support to Energy Market Integration and Sustainable Energy (SEMISE)** together with Armenia, Azerbaijan, Belarus, Georgia, Ukraine as well as Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.

### ***NIF-Bilateral***

Two projects in the water sector are funded by NIF:

#### **1. Feasibility Study for the Improvement of Water and Sanitation System in Chisinau**

Total cost: € 59 million; NIF grant: € 3 million

Lead: EBRD; other IFI: EIB & KfW

Status: disbursing

The study is the basis for a large investment programme aimed at the improvement of water supply and sewage collection and treatment in Chisinau. Herewith, the living conditions of the Chisinau's population will be improved and environmental impacts reduced.

#### **2. Water Utilities Development Programme**

Total cost: € 31.5 million; NIF grant: € 10 million

Lead: EBRD; other IFI: EIB

Status: disbursing

The project, targeting six selected municipal utilities, focuses on the improvement of the Republic of Moldova's water supply and wastewater treatment services through the expansion of water supply and wastewater treatment infrastructure outside the capital Chisinau.

### **NIF-Regional (Eastern neighbourhood)**

Together with the other EaP countries, Moldova is eligible to participate in the **Energy Efficiency Programme in the Corporate Sector** (see Armenia).

### ***Twinning and TAIEX***

#### **Twinning**

The Republic of Moldova has participated in ENPI-Twinning since 2008. Ongoing and tendered Twinning projects so far have given support to the fields of norms and standards, good governance, penal reforms, or IPR<sup>39</sup>. S&T is currently not addressed.

#### ***TAIEX:***

Three projects with regard to S&T were conducted:

May 2010:                   **Expert Mission on SME - technological innovation and a guide development**

Aim:                        To assist in the field of technological innovation and skill enhancement to SMEs through the development of a guide on the implementation of innovative clusters.

Beneficiary:   Agency of Innovation and Technology of ASM

April 2010:               **Expert Mission on Preparation of a Memorandum of Understanding on the terms and conditions for the association of Moldova to the Seventh Framework Programme on Research and Technological Development (FP7).**

Aim:                        The aim of this event was to help the Republic of Moldova with regard to the approximation

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<sup>39</sup> [http://support-md-eu.md/tw\\_pipeline.html](http://support-md-eu.md/tw_pipeline.html)



of national legislation and application of EU legislation: Preparation of a Memorandum of Understanding on the terms and conditions for the Association of the Republic of Moldova to the Seventh Framework Programme on Research and Technological Development (FP7).

Beneficiary: Academy of Sciences of Moldova (ASM)

October 2009:

**Workshop on FP7 - Opportunities for SMEs**

Aim: The aim of the workshop was to inform stakeholders (public officials, entrepreneurs, etc) and provide them with relevant guidelines on the financial opportunities available in the framework of existing and upcoming calls for proposals under the Capacities programme of the FP7 programme. Particular theme addressed was research for the benefit of SME.

Beneficiary: Academy of Sciences of Moldova (ASM)

June 2011

**Study Visit on the Adjustment of financial procedures after the association to FP7**

Aim: The aim of the study visit was to acquire a better understanding of the economic implications of the Association process and adapting the local financial procedures to the EU exigencies from the moment of signing the Memorandum of Understanding between the EC and the RM by undertaking/absorbing the valuable experience of the states associated to FP7. In this regard, Romania would be a reliable and experienced partner in applying properly the financial rules of FP7.

Beneficiary: Academy of Sciences of Moldova (ASM)

March 2012 **Expert Mission on Developing the Strategy of the Academy of Sciences of Moldova for the Integration of the Republic of Moldova into the European Research Area**

**Aim:** The aim of the event was to assist ASM in the development of a strategy for the integration of the Republic of Moldova into the European Research Area (ERA), capitalizing on European practices, in order to stimulate international S&T cooperation, increase the international visibility of the Moldovan scientific community, and support Moldovan researchers to participate in European grant programmes from the perspective of Moldova's association to the Seventh Framework Programme (FP7) on January 1, 2012.

**Beneficiary:** Academy of Sciences of Moldova (ASM)

**CIUDAD**

Moldova participates in the project **MODEL** (Management of Domains related to Energy in Local authorities) together with Armenia, Georgia and Ukraine (see Armenia).

Furthermore, Moldova takes part together with Ukraine in the project:

**Energy Efficient Municipalities: Increasing energy efficiency of Chisinau and Sevastopol municipalities based on existing positive experience**

**Participating countries:** Moldova (Lead Partner), Ukraine and Union of Municipalities of the Marmara Region (Turkey), ICLEI European Secretariat GmbH (Germany)

**Theme:** Environmental Sustainability (Sector: Energy Efficiency)

**Timeframe:** 28 months

**Budget:** € 673,000 (€ 538,000 EU contribution)

The project aims at developing municipal energy efficiency (EE) strategies, developing a system for monitoring energy use, and preparing feasibility studies. The project will also organize competitions and trade fairs and prepare information materials to encourage energy efficiency and promote best practices and EE technologies.

### ***Erasmus Mundus and TEMPUS***

TEMPUS is the largest and longest running programme supporting higher education reform and cooperation in Moldova, with no other programmes covering the same range of subjects.

The Republic of Moldova has participated in TEMPUS since 1994. Five projects were selected under the third Call for Proposals for TEMPUS IV, including support for the creation of doctoral studies in line with policy commitments under the Bologna Process. Since 2000, Moldovan non-academic actors — in particular government organizations, and to a lesser extent, enterprises — have gradually become more active in TEMPUS projects. The programme continues to facilitate the implementation of the Bologna reforms with all 17 public universities taking part<sup>40</sup>. So far, about 1000 students and teachers have visited EU universities for training and documentation programmes.

Higher education institutions have also participated in the Erasmus Mundus programme since 2007 (Lot 6 of the Erasmus-Mundus External Cooperation Window together with Belarus and Ukraine). Six Moldovan students were awarded scholarships for Erasmus Mundus Masters Courses under Action 1. In 2010, Moldova State University became the first Moldovan University to be selected as a full partner in an Erasmus Mundus Action 1 project, delivering a masters course on migration with EU partner universities. Student and academic mobility was further enhanced under Action 2 with an award of 66 scholarships. Three scholarships in European Integration Studies in European Universities and 10 scholarships to the College of Europe were awarded. The Academy of Economic Studies received a Jean Monnet project in order to increase the understanding of the Eastern Partnership of public servants, students and academics.

### ***Cross Border Cooperation***

Moldova is involved in two CBC programmes: a trilateral land-border programme with Ukraine and Romania, and the multilateral **Black Sea Programme**. The latter is in cooperation with Armenia, Azerbaijan, Georgia, Ukraine, Russia and Bulgaria, Greece, Romania, Turkey. For further details see Armenia.

#### **The Land-border programme: The Romania-Ukraine-Republic of Moldova Programme**

Participating countries:	Moldova, Ukraine and Romania
Timeframe:	2007-2013
Budget:	€ 126.718 million

<sup>40</sup> [http://ec.europa.eu/world/enp/pdf/progress2011/sec\\_11\\_643\\_en.pdf](http://ec.europa.eu/world/enp/pdf/progress2011/sec_11_643_en.pdf)

Priorities are:

- competitiveness of the border economy (diversification and modernisation);
- environmental challenges and emergency preparedness: water supply, sewerage and waste management;
- people to people cooperation: educational, social and cultural exchanges.

*Similar analyses were conducted for the other ENP countries, and respective details can be found in Deliverable 2.1 <http://icbss.org/index.php?pid=466&cid=464>*

## **6. Impact of ENP/ENPI on the S&T landscape in Eastern Europe and Central Asian countries (EECA)**

Since the implementation of the ENPI in 2007, the countries in Eastern Europe and Central Asia have benefited substantially from the programme at both national and regional levels (Table 2). For the period of 2011-2013, Ukraine receives the largest financial support (€ 470 million) of the EaP countries, followed by Moldova (€ 273 million). The financial assistance for Armenia, Azerbaijan, Belarus and Georgia increased significantly for this period.

Yet the focus on cooperation activities that are linked to S&T is rather weak. The main focus lies on the country programmes, i.e. fostering the implementation of political, economic and social reform programmes in the individual partner countries. Institution building and good governance including training for officials, harmonising standards and legislation or tackling regional cooperation are also focal issues.

S&T policy is included in all Partnership and Cooperation Agreements, in order to foster cooperation in civil scientific research and technological development. The Country Strategy Papers and the National Indicative Programmes, however, address S&T mainly as sub-priorities in the field of tertiary education, energy and the environment (water, waste water, Kyoto protocol implementation, sustainable management of forest resources):

- modernization of educational and training systems in line with European standards;
- integration into ERA and the Community R&D Framework;
- improvement of the legislative and administrative management of environmental

challenges, e.g. development of water and waste management plans or the securing of energy supply.

Bilateral financial cooperation regarding S&T can be improved. S&T was not adopted in the AAPs 2007-2010 of Armenia and Georgia neither in the AAPs 2007 and 2008 of the Republic of Moldova. Financial assistance for Azerbaijan and Belarus mainly supports the legislative and economic reforms in the energy sector. Similarly, for Moldova the focus is, among others, on the reformation of the water and sanitation sector or a sustainable energy production. Concerning the bilateral cooperation with Ukraine, energy efficiency and environmental sustainability are one of the areas of financial priority.

At the regional level, the ENPI provides a wide range of cooperation programmes that can be regarded relevant for S&T cooperation. All EaP countries benefit from the regional cooperation programmes in the field of sustainable management of forests (FLEG) or sustainable water and energy supply. Belarus also has an interregional cooperation with Morocco through CIUDAD.

As for the energy sector (including support for the implementation of the Clean Development Mechanism under the Kyoto Protocol), the EU and the EaP countries have consolidated their cooperation. Several ENPI energy projects (INOGATE, CIUDAD, NIF, TAIEX) are currently operating (Table 5, Annex). Furthermore, the cooperation towards a sustainable management of natural resources (water, air, forests) is improving. Several regional projects are financially supported: Water Supply and Sanitation Project, Transboundary River Management, FLEG and several Cross-Border Cooperation projects. Support at governance level is provided through TAIEX and Twinning Operations. Good examples are Armenia (1 Twinning and 2 TAIEX projects), Georgia (1 Twinning and 2 TAIEX projects) and Ukraine (1 Twinning and 6 TAIEX projects). These already existing instruments could be expanded to other countries as well as further areas of S&T relevance.

All EaP countries have benefited substantially from the Higher Education programmes. Armenia, Azerbaijan, Georgia, Moldova and Ukraine are formal signatories to the Bologna Declaration. The EaP countries have made progress on quality assurance and on the adaptation of higher education to the three-cycle system (bachelor, master, doctorate). TAIEX and Twinning operations supported these positive tendencies. Good examples are Georgia (1 TAIEX and 1 Twinning on Higher Education Implementation of the Bologna Reform), Armenia (1 TAIEX on Quality Assurance in Higher Education),

Azerbaijan (1 TAIEX on Regulation of Higher Education Systems) and Moldova (1 TAIEX on S&T Innovation for SMEs). Student and academic mobility have also benefited from Erasmus Mundus scholarships. There was also a significant increase in participation from EaP countries in the Jean Monnet Programme in 2010. For the first time ever, one Jean Monnet teaching module was selected from universities in Armenia and Azerbaijan, and two new Chairs were selected in Ukraine. Yet, strengthening partnership with enterprises and industry remains critical in order to ensure the relevance of taught programmes and to enhance the employment prospects of higher education graduates<sup>41</sup>.

Regarding integration into ERA and the participation in EU's science funding programmes, the countries are encouraged to increase investment in S&T development, i.e. investments in research by the public and private sector. For most countries, investment in research and innovation remains at relatively modest levels and the overall number of applications within FP7 still remains relatively low. To better understand ERA and the Community R&D Framework, TAIEX and Twinning are beneficial instruments to make use of. Good examples are Ukraine which had 1 TAIEX workshop on Participation in FP7 and the Republic of Moldova where 3 TAIEX workshops were conducted (Workshop on FP7 - Opportunities for SMEs, Preparing MoU for Association of Moldova to FP7, elaborating the Strategy for integration into ERA).

Concerning the NIF, all EaP countries, except Azerbaijan and Belarus, benefit from this facility: Armenia (€ 120 million) and Ukraine (€ 135 million) have one project each in the water sector. Two projects worth € 100 million are currently running in Moldova (water) and three projects (€ 200 million) in Georgia (water and energy). Since its implementation in 2007, the overall NIF contribution to 9 projects approved for EaP amounts to € 47. 5 million. The total amount of these projects is approximately € 0. 75 billion: 32% in the environment sector, 28% for energy projects and 26% for transport)<sup>42</sup>.

In conclusion, the focus on cooperation activities that are linked to S&T is rather weak. Bilateral financial support for S&T can be improved. At the regional level, the ENPI provides a wide range of programmes that can be regarded relevant for S&T cooperation. The major area of priority, however, is the energy sector and the water/wastewater management. Furthermore, S&T is mostly supported at the legislative and administrative management level. This could be expanded to STI projects including

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<sup>41</sup> Joint Staff Working Paper; COM(2011)303

<sup>42</sup> Ibid.

enterprises and industry (e.g. PPPs). The funds allocated under AAPs can be used to develop scientific and innovation infrastructure, to assure a proper level of scientific excellence, but also as prerequisites for further economic growth.

The EU should look for new mechanisms in order to increase the participation of the EECA countries within the European Research Area. Even if it is a matter of a country's choice, research and innovation needs to be a priority on the cooperation agenda, promoting the spirit of the Europe 2020 Strategy in the region.

## **Other ICBSS Policy Briefs available:**

**no. 24, March 2012**

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