

# ICPS newsletter<sup>®</sup>

## An Enhanced EU-Ukraine Agreement: Will it further democratic consolidation?

*Since March 2007, eight rounds of negotiations for a New Enhanced Agreement (NEA) have been held between the European Union and Ukraine. The New Enhanced Agreement will be a comprehensive and cross-pillar agreement introducing a contractual basis for integration, convergence and cooperation in various fields such as political reform, rule of law, human rights, border management, migration, the Common Foreign and Security Policy, and free trade between Ukraine and the EU. But will this new agreement be sufficient to assist Ukraine's faltering process of democratic consolidation? Will the notion of an "enhanced" agreement serve as a new model for those states still denied prospects for membership? Answers to these questions were sought by ICPS analyst Natalia Shapovalova in a paper written for FRIDE, Madrid, during her fellowship under the European Foundation Centre's program*

### Closing the integration gap

The New Enhanced Agreement between the EU and Ukraine will be an example of further "narrowing" between the European Neighborhood Policy and the Enlargement Policy. It will envisage integration of Ukraine into the EU without defining the end-result of this process. While Ukraine's economic integration with the EU through deep free trade is a major goal of the NEA, democracy promotion is not sufficiently supported by related instruments. The most potent tool for democratic transformation outside the EU — the prospect of membership combined with accession conditionality — is not being offered at this stage. Other political incentives appear weak to Ukraine, given its strong and continuing desire for membership. Divisions among member states over the EU's possible commitments to Ukraine remain against Ukraine's EU bid.

The NEA will apply ENP conditionalities to Ukraine by offering deeper economic and political relations as a reward for political, economic and legal reforms. The strength of the NEA in comparison with the ENP is that it will be legally binding and include an enhanced monitoring and evaluation system that increases the chances of successful implementation.

### Trade as a tool

Through deep free trade, the EU is trying to use trade liberalization as a tool for promoting democratic governance. The opening of EU markets to Ukraine will be conditional upon reforms in many areas of public administration. Moreover, deep free trade will lead to multiple personal and institutional contacts, namely intensification of business contacts as a result of enhanced economic activities, and greater mobility as a result of easier access to cheap travel operators.

### People-to-people contacts

The NEA will strengthen the socialization component of promoting democracy. The agreement envisages intensified political dialog, as well as more opportunities for people-to-people contacts in culture, education, research and civil society. The NEA will be the first agreement between the EU and a European country to include a separate article on civil society, which will be empowered to provide its recommendations. The question over whether the NEA will lead to the elimination of the main obstacle to people-to-people contacts, namely the EU's visa requirements for Ukrainian nationals, remains open. The EU has not reached consensus on this issue thus far. The prospect of a visa-free

travel regime could be a very strong incentive, as it would benefit every Ukrainian citizen.

### Not enough incentive?

Despite a variety of strengthened monitoring and conditionality tools applied in the NEA, the agreement will not serve as an alternative effective enough to substitute for accession-driven Europeanization. The NEA's comprehensive reform agenda is unlikely to be implemented in Ukraine—where no major democratization reforms have been carried out since the democratic breakthrough in early 2005—unless strong political incentives like the prospect of membership or at least visa-free travel are conceded. Only these measures are likely to compel Ukraine's divisive political elites to restrain their personal ambitions for a common policy agenda. ■

*The full version of the paper can be downloaded at [http://www.fride.org/descarga/WP62\\_Ukraine\\_UENG\\_jun08.pdf](http://www.fride.org/descarga/WP62_Ukraine_UENG_jun08.pdf).*

*ICPS's Eurointegration and foreign policy analyst Natalia Shapovalova wound down her tour at FRIDE, a European think-tank in Madrid, through the International Fellowship Program for Learning and Exchange in Philanthropy.*

*FRIDE is a think-tank that aims to provide the best and most innovative thinking on Europe's role in the international arena. It strives to break new ground in its core research interests of peace and security, human rights, democracy promotion, and development and humanitarian aid, and to shape debate in government and non-government bodies through rigorous analysis rooted in the values of justice, equality and democracy.*

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**Note: The next issue of the ICPS Newsletter will be published on 8 September 2008. Have a nice summer!**

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