



**EURASIA
PARTNERSHIP
FOUNDATION**

EPF Newsletter

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Eurasia Partnership Foundation (EPF) is undertaking a project to promote a public dialogue on the EU-Georgia Deep and Comprehensive Free Trade Agreement (DCFTA) and enhance public awareness about the newly launched Eastern Partnership (EaP) initiative. The project is titled “EU-Georgia Deep and Comprehensive Free Trade Agreement: Preparing for Negotiations through Stakeholder Collaboration”. In October 2009, EPF organized the first roundtable of the new cycle, which brought together representatives of the European Commission’s Delegation to Georgia, participants from EaP countries, members of diplomatic missions, the Georgian government, and Parliament, as well as actors from civil society, trade unions, and business associations. The aim of the roundtable was to discuss the EaP’s expectations of the public sector, i.e. the Georgian Government (GoG), CSO, trade and professional unions, and business associations.

The EaP was formally endorsed in May 2009 in Prague, Czech Republic. It reaffirms the commitment of the European Union to support and economically engage with six former Soviet countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine. The EaP offers the possibility of free trade agreements with these countries based on their progress within the framework of the European Neighbourhood Policy Action Plan (ENP AP). For real economic convergence and harmonization with the EU *acquis*, it is necessary to conclude a deep and comprehensive free trade agreement (DCFTA).

Moreover, the EaP offers the chance to upgrade the existing Partnership and Cooperation Agreements (PCA) to Association Agreements (AA), which entails greater political support and enhanced cooperation in energy security and economic and social development issues. The EaP also has an important multilateral dimension that guides cooperation and deepening of subregional networks through four thematic platforms: (1) democracy, good governance and stability; (2) economic integration and convergence with EU policies; (3) energy security; and (4) contacts between people. The EaP emphasizes the role of civil society in shaping European integration-related policies and introduces a special Civil Society Forum (CSF) as a cooperation platform for the EaP countries and EU members.

Speakers of the forum

The Head of the European Commission (EC) Delegation to Georgia, Ambassador Per Eklund, spoke about the basic aspects of the EaP, referring to it as the EU's "newest invention" for cooperating with its eastern partners by offering intensive help on an unprecedented level. The rationale of the EaP is to increase security, stability, and prosperity in the EU's eastern neighborhood. In the long run, DCFTA agreements with EaP countries would expand into regional networks, establishing a free trade area with the EU. However, only the economies in the region that are able to compete on the international market will be eligible for a DCFTA, which would allow the EU to be able to import goods from partner countries to the internal market. The EU is committed to supporting its eastern partners in the challenges they face on the way to democratization and economic prosperity. The existing problems in EaP countries, for example, energy disputes and territorial conflicts, have not weakened the EU's resolve to invest in the region and its countries. This is, however, a two-way street and requires substantial input from partner countries as well.

Andreas Tuveson, Chargé d'affaires of the Swedish Embassy, emphasized the importance of the EaP to Sweden, one of the initiators of the EaP. The Swedish Presidency will try to enhance bilateral cooperation between the EU and the six partner countries, and will outline by the end of this year a road map with possible timeframes for cooperation within a multilateral framework. Along with cooperation in energy efficiency, Sweden would like to see the issue of climate change addressed.

Tamar Beruchashvili, First Deputy State Minister for Euro-Atlantic Integration, elaborated on what the EaP means to Georgia while acknowledging, nevertheless, that it is not an alternative track to EU membership. She was optimistic about concluding a DCFTA and AA as one set of agreements; with regard to the visa facilitation agreement, several rounds of negotiations have already been conducted with the EC. She stressed the importance of addressing conflict resolution and cautiously referred to Russia as a potential stakeholder in EaP projects.

Tamar Kovziridze, Head of the DCFTA interagency working group and Chief Advisor to the Prime Minister of Georgia, stressed that the process of negotiations are complex, especially in terms of customs tariffs and non-tariff barriers to trade, as well as technical barriers, food safety, competition, and intellectual property, the latter being one of the most challenging issues for Georgia. According to Kovziridze, there is no contradiction between Georgia pursuing a liberal economic policy and the European integration goals of the country. The alignment of the draft law on economic freedom with the EU acquis is ensured by the fact that the same people within the Prime Ministers office staff are working on the draft bill and also on the draft strategy papers needed for meeting requirements for DCFTA negotiations.

Ivane Chkhikvadze from the European Stability Initiative presented a brief overview, analyzing the GoG's inconsistent attitudes toward European integration. While one of the main recommendations from the EC's November 2008 DCFTA fact-finding mission was to set up an independent antimonopoly service in Georgia, the new draft law of economic freedom prohibits establishing further regulatory agencies.

Iris Kempe, Director of the Heinrich Böll Foundation in Georgia, highlighted both the importance and the shortcomings of the CSF. Kempe noted that when CSO actors from seven organizations met at the first forum in May 2009, the process was dominated by newly acceded EU countries, and time for debate among the EaP countries was insufficient for reaching any consensus or conclusions. Furthermore, she mentioned the absence of clear-cut criteria by the EC for selecting CSO participants to the CSF (the next CSF to be held in Brussels on 17 November 2009) to ensure proper representation of the societies. She stressed that CSOs should be involved not just in monitoring of policies and action plans but also in planning, shaping, and implementing EaP measures. European integration should be a national priority in order to be effective.

Mikheil Kechakmadze, from the International Society for Fair Elections and Democracy (ISFED), underlined that the EaP should ensure that local NGOs can access EC funds, utilize lessons learned from past ENP cooperation, and promote civil society's collaboration with the governments through capacity-building and technical assistance to both sectors, amending the legal and administrative framework for this purpose. Kechakmadze said that the EC has to fund and influence the process to support CSO participation in the EaP.

Irakli Petriashvili, Chairman of the Georgian Trade Union Confederation, stressed that there is lack of professional associations in Georgia. CSO resources are not utilized adequately for policy formulation and implementation. At present, he said, the legislation allows for "business domination over employees", especially with regard to overtime work and procedures for the dismissal of employees. This may cause Georgia to lose GSP+ with the EU.

Kote Nanobashvili, from the Employers' Association, stated that business associations expect more support for SME development from the EaP, namely instruments for stabilizing the business sector, attracting investment, and strengthening business associations. Further, tools for public and private dialogue need to be developed to enhance Georgia's export-oriented economy.

Nikoloz Jashi, EPF's European Integration Program Manager, presented a summary of the survey results of the 2009 report *Attitudes towards EU Integration*. This is the first comprehensive survey that measures public opinion on the EU and related values and expectations. The survey will be useful for public policy planning and could be used as baseline data by state institutions and civil society organizations for planning and evaluating future projects. The survey report is now available on [EPF's website](#).

Ketevan Vashakidze, EPF's Georgia Country Director, summarized the results of the day. She expressed gratitude to the representatives of the EC delegations and the EU Member States, as well as to the GoG for updating the forum on the ongoing negotiations with the EC and their expectations from the EaP. Although there was some progress made, many questions were raised for which the GoG did not have answers. Further, Georgian officials left early, before the forum's discussion session in which the CSO arguments and expectations from EaP were presented, which caused some dissatisfaction among the roundtable participants.

The matter of European integration should not be relegated to an elite circle, but should include large and diverse segments of the population. Many people equate EU integration with security, not only in military terms but also in economic and social ones. The information provided to the public on European issues, however, is rather limited, and there should therefore be room for cooperation that allows all possible networks to engage with government.

Recommendations

To CSOs:

- a) organize itself in order to be more actively involved in the EaP process in terms of providing proposals on the type of Georgian input to the EaP and promote the EaP as a national priority;
- b) create adequate room for cooperation with the GoG, especially with the key decision-makers at the forums;

- c) arrange regular meetings on the DCFTA and other specific issues in order to ensure CSO participation in formulating, implementing, and monitoring policies within the EaP framework.

To the Georgian Government:

- a) engage a wide spectrum of civil society actors in the formulation, implementation, and monitoring of EaP-related policies;
- b) promote the institutionalization of collaboration with CSOs;
- c) make draft policy papers available for public discussion before submitting them to the EC;
- d) build capacity of state agencies to cooperate with local NGOs, trade unions, and the private sector;
- e) participate in and contribute to the discussion at the roundtables and other forums with CSOs to formulate joint policy recommendations.

To the European Commission:

- a) selection criteria for the CSF should be made more transparent and clear to ensure that NGOs with experience and links to European integration policy developments are represented;
- b) identify the proper policy tools to encourage the government to allow open dialogue and let CSOs participate in the decision-making process on public policy issues, especially regarding the EaP.

