

Annual Meeting of Working Group 2 *Economic Integration and convergence with EU Policies* of the Eastern Partnership Civil Society Forum

13 May 2013, Brussels

Minutes

The meeting of the Working group 2 (WG2) took place on 13 May 2013 in Brussels. The participants gathered to listen to experts presentations, to discuss the activities of WG2 and to get updates on the recent developments, to receive the overview on the past EaP Platform 2 past and upcoming events, to prepare the position paper of the CSF to the EaP 9th Platform 2 Meeting and to discuss their involvement into the CSF effort in EaP Road Map monitoring.

The meeting was opened by the coordinator of WG2 Hennadiy Maksak, who chaired the meeting. After the adoption of the agenda, external experts were invited to provide their input: Ms Michaela Hauf from Directorate-General for Enterprise and Industry (European Commission) and Ms Anna Link from Konrad Adenauer Stiftung.

Expert Presentations

Ms Hauf presented the report on SME policy performance in the EaP countries (presentation attached) prepared by the Commission in cooperation with OECD. She underlined that the EaP region is composed of a group of heterogeneous countries, which are different in terms of their size, population, resources endowment and their stage of economic and institutional development and presented the economic structure of EaP countries. Overall, SMEs in the Eastern Partner countries contribute less to both employment and GDP compared to the OECD countries, so that a potential to boost employment in this sector exists. One of the key findings of the report was, that while EaP countries are doing comparatively well in the sphere of operational environment, large deficits exist in entrepreneurial learning, women's entrepreneurship, internationalisation of SMEs, SMEs in green economy, innovation and enterprise skills. The Institutional frameworks for SME policy are developing at a different pace in the EaP countries, while more targeted SME policy tools are needed, data on SMEs generally remains scarce across the region. The detailed report (available here: <http://bookshop.europa.eu/en/sme-policy-index-pbNB3112926/>) presents recommendations for the partner countries in each policy field. The key findings were presented as follows: Consult more closely with the private sector on policy reform; improve co-ordination between government agencies; develop targeted SME policy tools; collect better data for better policies. Two projects are intended as a follow up to the report: First, an assistance programme to EaP countries with regard to the implementation on policy reforms to be started at the end of 2013 and second, the next

SME policy assessment with a special focus on effective implementation and output, which will be launched in early 2014.

During the discussions following the presentation Ms Hauf stressed that any information and updates on SME policy or topics related to the work of Platform 2 from the civil society are welcomed and should be sent to DG Enterprise. She underlined that the CSF is taking part in the SME Panel and will therefore be involved in all projects and assessments in this area. Furthermore she promised to come back to WG2 on the questions of participation of WG2 members in the Coordination Meetings for the Small Business Act.

Following the presentation on the SME policy assessment, Ms Hauf presented the working programme of Platform 2 for the years 2014-2015 (presentation attached) and stressed that input from the CSF can still be incorporated, as the programme is a working document. She gave a brief overview of the activities envisaged in the framework of the different panels of Platform 2, such as Transport, SME, Environment and Climate change, Trade, Agriculture and Rural Development as well as in the other areas of work covered by the Platform such as Labour Market & Social Policies, Macroeconomic & Financial Stability, and Information Society. She stressed that any ideas or suggestions to the work programme from the civil society are highly appreciated and can still be incorporated in the programme.

Anna Link from Konrad Adenauer Stiftung (KAS) presented an overview of the project “Strengthening non-State Actors’ Capacities to promote Reform and to increase Public Accountability in the Eastern Partnership Countries” (presentation attached). According to the project context, Ms Link stated that according to the policy of “more for more” committed reformers in the EU’s Southern and Eastern neighbourhood would be awarded greater and broader EU support, with the EaPIC programme focusing on the Eastern Partnership region. Project is an outcome of the “Roadmap to the autumn 2013 Eastern Partnership Summit”, which stressed the need for the EU to engage with societies as a whole. As KAS is acting as a service provider in this framework to the Commission, she reminded WG2 participants that the flexibility of the project is limited. She gave a short description of the project components which consist of: in-depth mapping of civil society landscape in partner countries, capacity building activities for CSOs, ad-hoc support to CSOs, facilitation of multi-stakeholder consultations, and ensuring the visibility of the Eastern Neighbourhood Facility. At the end of her presentation Ms Link emphasized the necessity to gather information on how to support CSF work in particular. Asked on the possible presence of GONGOs in the consortium of the project – a question concerning the Azerbaijani Partner (Azerbaijani Youth Euro-Atlantic Organisation) – Ms Link assured that so far they were not aware of

this fact, but she stressed that this can be tackled by the Steering Committee of the project which includes CSF National Facilitators.

Reports from past WG2 activities

Hennadiy Maksak informed that not all of the sub-groups of WG2 were very active since the beginning of the year and reminded participants of the meeting of the Panel on Agriculture and Rural Development taking place on the same day as the WG2 meeting and where the WG is represented.

The **Azerbaijani WG2** coordinator reported on a project involving five CSOs on public finance control which was started by the WG in July 2012 and is financed by the European Commission for 20 months. The aim of the project is to strengthen legal and institutional capacities of state institutions in monitoring expenditures and to achieve a transparent system of expenditure control including civil society oversight. Within the framework of the project as special section of the website of the Azerbaijani NP will be created and a manual on the needs of budget analysis will be produced. Main partners of the project are the Parliament and the Chamber of Accounts. The **Armenian WG2** coordinator reported on successes in expanding the basis of the WG2 and on frequent meetings conducted on cooperation in the sphere of green economy. The **Belarusian WG2** coordinator reported on a meeting with Foreign Minister Makei, with whom he had a one-hour discussion on economic work. Furthermore, the WG prepared a huge analytical work on the situation of business development in Belarus and the world, conducted a round table in April on social dialogue for SMEs and prepared a business report “Belarus National Business Platform – 2013 Headway Strategy” together with 22 CSOs. The **Moldovan WG2** coordinator reported on a parliamentary working group that was set up following an initiative of the WG2 and on a meeting with the Moldavian Prime Minister, who had to resign in the meantime and with whom economic issues and the need for concrete results were discussed. The **Ukrainian WG2** coordinator stressed the importance of signing the AA and DCFTA for Ukraine and reported on meetings with Commissioner Füle in February and a press conference organised in Brussels ahead of the EU-Ukraine Summit at the end of February. The group also worked on the interconnection between economic progress and energy, a subject on which several panels were organised. Furthermore, he stressed the importance of trans-border cooperation for the work of WG2 and announced that a conference on the issue of will be organised in June. The **Georgian WG2** coordinator informed that recommendations for the Georgian SME-law, which are in line with the respective European law, have been produced and handed over to the Government and Parliament. In addition, the WG is involved in the Information Strategy on European Integration of the Government and in the preparations of the new law on product safety. A new group on Agriculture and

Rural Development has been launched and already worked out recommendations on the new legislation in the sphere.

Reports from past EaP Platform 2 events and upcoming meetings

WG2 participants were briefed on the CSF participation in the “Laboratory on Social Partnership for Matching Skills with Jobs” which took place in Lisbon on 18-19 April. During the meeting, each EaP country presented its policies in this fields and was represented mostly at the Deputy-Minister-level. The gathering of reliable information was identified as the biggest problem by the participants and the importance of trainings on ICT skills and competences for the job market stressed.

Mr Maksak briefed the WG on upcoming events, which included the Platform 2 Meeting on the next day for which a position paper is to be prepared during the WG2 meeting. Furthermore, he briefed WG on the preparations for the Civil Society Forum meeting in Chisinau in October, the side events to the Vilnius Summit and regional events of the WG2. He reminded participants to inform him and the Secretariat of the EaP CSF of any upcoming regional events planned by WG2 participants in the national framework in order to ensure better visibility and participation in those events.

Presentation of Project EaP Road Map Monitoring

Jeff Lovitt, the Executive Director of PASOS, briefed WG2 participants on the project of the monitoring of the Eastern Partnership Roadmap (see also presentation attached). The monitoring will allow the CSF to demonstrate its added value by providing an independent analysis of Roadmap process. In addition, the monitoring exercise will allow the CSF to pursue the following objectives: reforms fostering democratic values and the respect for human rights; furthering bilateral, multilateral cooperation and European integration through increased transparency in the relations between the EU and the partner countries; improved efficiency, co-ordination, and implementation of policies towards European integration; elaboration of a new roadmap (or an alternative to a roadmap) based on a design derived from the conclusions and recommendations stemming from the monitoring of the CSF.

The main problem in the monitoring exercise is that many indicators in the Roadmap are not measureable as they only refer to “continued action” or “continued progress”, which makes monitoring in these fields challenging. The methodology of the monitoring should enable the CSF to demonstrate an independent evaluation and at the same time formulate concrete recommendations targeted at national governments, the Commission, the EEAS, the European Council and EU member states. The monitoring will be put on three main pillars: independent verification of the objectives set out in the

Roadmap; analysis of the effective use of EU funding and monitoring of inclusiveness and transparency of policymaking and implementation. The Roadmap monitoring will, while being based on expertise of the expert community within the CSF, actively involve the national platforms and working groups, thereby strengthening their capacities.

The output of the exercise will be an interim report to be ready by the end of June, ahead of the EaP Foreign Ministers Meeting on 22 July and a full evaluation by late September, ahead of the CSF meeting and the Vilnius Summit.

Adoption of the position paper of the CSF to the 9th Platform 2 meeting

The participants of the WG2 meeting discussed the presented draft of the position paper and suggested several amendments to the document to better reflect the priorities and concerns of the working group. Language was added on the issues of the importance of competition, female entrepreneurs, professional education, trade liberalisation, social enterprises, green economy and the use of renewables. The adopted position paper is attached.

Regional Activities and Projects of WG2

Hennadiy Maksak informed WG2 participants about the available funds for the WG from the project “Strengthening capacities of the National Platforms of the Eastern Partnership Civil Society Forum”, where €30.000 are available and €15.000 can be used by the WG this year for a common project of the Group, while the remaining €15.000 should be kept for activities of next year’s WG. Mr Maksak invited participants to present their project ideas to the group and to identify a common project. The following ten proposals were gathered:

- Producing and Index of economic integration in the EaP or strengthening the economic parts of the European Integration Index for Eastern Partnership Countries
- Publishing monthly bulletin on legal development in the economic sphere of the EaP countries
- Gathering experts recommendations or an expert panel on cross border cooperation
- Creating a list of trustworthy NGOs in each country in the framework of WG2 activities
- Creating a “Bank of Ideas” for project ideas and successful projects in order to learn from each other
- Organising a Discussion on SMEs ahead of the Forum
- Launching a Forum of female entrepreneurs
- Launching a project to promote and support the use of solar power in villages

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- Buying electronic hardware in each partner country to enable video conferences, discussions and lectures among WG participants
- Publishing a policy paper

It was agreed that each person proposing a project will submit a two page project proposal (one page description of project and one page budget) to Hennadiy Maksak by 20 May 2013. All project proposals received by then will be sent out to the whole WG2 and will be subject to electronic voting until 23 May 2013 19.00h. After this deadline the decision on the selected project will be communicated to the WG2 members

At the end of the Meeting Mr Maksak reminded participants of the procedure of selecting participants to the CSF in October. He underlined the need for a balanced representation of Sub-groups within the delegation and of a minimum quota of four organisations per country, regardless of the size of the country. He also stressed the need to attract more EU organisation to the WG for the next Forum. The need for each national delegation to contain female and male representatives was emphasized.

Minutes produced by:

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