The Implications of the Eastern Partnership Program on EU-Russia Relations

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Abstract

Launched in 2009 as part of the EU’s European Neighborhood Policy, the Eastern Partnership Program (EaP) engages six post-Soviet states—Belarus, Moldova, Ukraine, Armenia, Azerbaijan, and Georgia—in a program to bring their political and economic systems in line with EU standards. This program was intended to pave the way for joint institution building, Deep and Comprehensive Free Trade Areas (DCFTA), and possible Association Agreements. In the lead-up to the November Summit in Vilnius, it has become clear that the progression of the EaP is a major point of contention between Russia and the EU. Despite the escalating rhetoric from all sides, this paper argues that while the EaP may have a chilling effect on Russia’s relations with Eastern Europe, it is unlikely to have a significant impact on relations between Russia and the EU itself. Russia’s importance as a security, energy, and infrastructure actor has led the EU to adopt a more cohesive approach to Russia than it has toward the other post-Soviet states. Institutionalized political dialogue also remains more extensive with Russia, given its seat on the UN Security Council and participation in the unique Partnership and Cooperation Agreement (PCA). As Eastern Europe nears a critical juncture, this analysis provides insight into the changing relationships between Europe, Russia, and the nations caught between them.

Key Words: Eastern Partnership, EU-Russia, Neighbourhood Policy, Customs Union.

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What are the implications of the Eastern Partnership Program on EU-Russia relations?

Introduction

The Eastern Partnership Program (EaP) was launched at the summit in Prague on May 7, 2009 with a purpose to build closer political and trade connections with six post-Soviet states: Belarus, Moldova, Ukraine, Armenia, Azerbaijan, and Georgia. The program works within the framework of the European Neighborhood Policy (ENP). The project is initially directed at integrating Eastern European countries with the EU economically through promoting stability, security, prosperity, and democracy. While offering institution building as well as deep and comprehensive free trade areas (DCFTA), the partnership does not immediately promise future membership, but rather an alignment of the EaP countries to the EU legal provisions and standards.

While the EaP is a relatively new policy orientation towards the EU’s Eastern European non-members, Russia has been connected with these countries by centuries of common history, economic relations, and cultural ties. Despite this history, most EaP states appear eager to realign with the West. Because of these tensions, the shared neighborhood represents a peculiar playground for the EU and Russia. Case studies used in this paper will help to explore the impact of the EaP on EU-Russia relations. While the EaP might have a chilling effect on Russia’s relations with the target countries, the Program is unlikely to have any significant impact on EU-Russia relations.

EU’s purpose for the EaP

The EaP was first introduced at the General Affairs and External Relations Council in May 2008 through a joint Polish-Swedish proposal. According to Poland’s Ministry of Foreign Affairs, the EaP was one of the priorities of the Polish Presidency of the EU Council in 2011. As a former communist country, Poland hoped to push EU enlargement eastward, incorporating its neighbors with Western Europe through strong economic ties, while moving beyond Russia’s sphere of influence.

Yet from the beginning the EU member states have been divided in terms of their attitudes to the Partnership. For example, such countries as France, Italy, Spain, the UK, Austria, Portugal, Malta, and Cyprus ignored the first summit of the Partnership in 2009. The third meeting was also postponed from May to the fall in 2011, because France organized a G8 summit on the same day. Although financial assistance of 600 million Euros for 2009-2013 launched for the Program presented practical benefits for the targeted countries, the European

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6 Ibid.
Parliament in its resolution on the EaP largely criticized this large sum of money. Absence of solidarity renders the idea of the Partnership insufficiently equipped to bring substantial change to the EU in the targeted countries.

The European Security Strategy Review of 2008 emphasizes a goal of strengthening the prosperity and stability of the eastern neighborhood countries, but it still describes the Mediterranean as a primary area of major importance and opportunity. At the same time, according to the External Action Service Strategy 2010, there has been a radical shift to North Africa and the Middle East as areas of strategic orientation. Overall, the Europeans seem to be not only divided in terms of the EaP importance, but have also been largely increasing their interests in other parts of the world, as emphasized by a set of competing documents.

**Russia’s reaction to the EaP**

When the EaP was implemented in Prague, the Kremlin reacted negatively. During the following EU-Russia summit in May 2009, Dmitry Medvedev conceded that any partnership was better than conflict, but Moscow was worried that some countries might try to use this partnership against Russia. At the Brussels Forum in March 2010, Russian Minister of Foreign Affairs Sergey Lavrov claimed the EaP initiative was a European Union ‘tool’ for expanding the sphere of influence in post-Soviet space. President Vladimir Putin has also called the EaP a substitute for NATO expansion to the East. Moscow’s disapproving attitude to the Program implementation was repeatedly made clear.

In its eastern neighborhood Russia remains essential not only in trade and energy areas, but also in regards to national identity and common historical heritage. Russia has been trying to maintain its influence in the region through institutions such as the Eurasian Economic Community (EurAsEC) that originated from the Commonwealth of Independent States (CIS) in 1996, the Collective Security Treaty Organization (CSTO) since 1992, and the Customs Union with Belarus and Kazakhstan since 2010. Shortly after the implementation of the EaP, Vladimir Putin wrote an article in the Russian newspaper *Izvestia* announcing the intention to create a “Eurasian space” as an attempt to engage post-Soviet republics along Russia’s periphery by 2015.

Initially, some Eastern European neighbors’ reactions to Russia’s Customs Union with Belarus and Kazakhstan were negative. For example, President of Ukraine Victor Yanukovich threatened to expel the Russian Black Sea fleet and to host NATO’s missile defense system.

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unless Russia stopped coercing them to join the Union.\textsuperscript{13} Georgia threatened to block Russia’s entry into the World Trade Organization (WTO).\textsuperscript{14} In response, Russia has used its economic power, security, and energy as political tools to discipline its neighbors, with some success. For example, after being locked in disputes with Russia over gas deliveries and prices in 2006 and 2009 and realizing that no membership prospect from the EU existed in the near future, Ukraine Prime Minister Nikolai Azarov in January 2012 officially stated that Kiev did not exclude a possibility of joining the Customs Union on the basis of mutual exchange benefits, which would give Ukraine access to cheaper energy supplies.\textsuperscript{15} Belarus already gave Russia control over its gas transportation system in 2011, and Moldova, Armenia, and Ukraine had also been thinking about turning their networks over to Gazprom.\textsuperscript{16} In September 2013, Russia’s Deputy Prime Minister Dmitry Rogozin explicitly warned Moldova “not to freeze” during the winter if it pursues closer proximity with the EU, hinting at a retaliatory action in the form of gas disruptions.\textsuperscript{17} Moscow’s embargo on Moldovan wine imposed in September might cause $56 million in annual losses to the latter.\textsuperscript{18} An import ban imposed on confectionary maker Roshen in July might result in a loss of around $200 million in annual profits for Ukraine.\textsuperscript{19} Moreover, Russian Presidential advisor Sergey Glazyev announced that Russia would proceed with the denunciation of its friendship treaty with Kiev of 1997.\textsuperscript{20}

Despite the absence of a common border, President of Armenia Serzh Sargsyan announced his eagerness to join Russia’s Customs Union during his visit to Moscow on September 3, 2013.\textsuperscript{21} Armenia sees the necessity of maintaining a constructive dialogue with Moscow, considering the heavy hand Russia has in Armenia’s economy. In the wake of the global financial crisis it was Russia who granted Armenia a loan of $500 million.\textsuperscript{22} Bilateral trade between Russia and Armenia also grew by 22\% in 2012.\textsuperscript{23} Finally, Moscow’s share in Armenian largest gas monopolist ArmRusGazprom constitutes 80\%.\textsuperscript{24}

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\item \textsuperscript{14} Ibid.
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In addition to its substantial economic presence, Russia has also been actively involved militarily in the zones of protracted conflicts in the former Soviet space. Russia maintains much of its border patrol in South Ossetia and Abkhazia, continues to occupy 20% of Georgia's territory, and stations 1,200 Russian soldiers in Transnistria.\(^{25}\) Russia has a military base in Gyumri, Armenia, while Ukraine continues to host much of Russia’s infrastructure of the Black Sea Fleet in Sebastopol. Belarus hosts the Volga radar station near Baranavichy and the Antey long-range radar centre near Vilejka.\(^{26}\) Despite the fact that Russia’s Gabala Radar Station was shut down in 2012, Russia continues extensive arms sales to Azerbaijan, which was also positively reinforced at the most recent visit of Vladimir Putin to Baku in August, 2013.\(^{27}\) Given Russia’s substantial security and economic presence in the target countries, closer approximation to the EU in the framework of the Eastern Partnership could carry a high price. Russia may be too important to neglect in favor of the EU formula for Partnership.

**The European Union’s response**

In comparison with Russia, the EU’s response to the resolution of frozen conflicts in the target countries has been limited. Since the introduction of the ENP, Special Representatives have been appointed to address the conflicts in the South Caucasus and Transnistria. However, their practical role was reduced to monitoring, communicating with all parties to the conflict, and providing feedback for the decisions within the European Security and Defense Policy (ESDP) framework. In 2004, the EU considered the option of launching an ESDP mission in Moldova, but dropped it.\(^{28}\) Only France, not the EU as a whole, has been collaborating with the U.S. and Russia in the framework of Organization for Security and Cooperation in Europe Minsk group in regards to Nagorno-Karabakh conflict resolution.\(^{29}\) South Ossetia and Abkhazia largely opposed the EU Monitoring Mission on their territories.

A few years ago the EU member states could not agree whether to engage or contain Russia. Now a consensus is emerging—the EU should try to work with Moscow rather than against it. The Meseberg Memorandum produced following a meeting between Medvedev and German Chancellor Merkel in June 2010, which contains a commitment to explore the establishment of a ministerial EU-Russia Political and Security Committee to deal with crisis management, reinforces this perception.\(^{30}\) A leaked document from Russian Ministry of Foreign Affairs that appeared in 2010 emphasized the importance of using EU countries friendly to Russia, particularly France and Germany, to achieve progress in security cooperation with

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Russia. At the same time, Germany sees that the key to success in the Eastern neighborhood is good relations with Moscow. Germany has always been against the EaP turning into a project that would antagonize Russia.

The implications of the EaP on EU-Russia relations

As of this year, the EaP remains a fragmented and at times weak project that has shown little practical impact. The Program’s goals are indeed often inconsistent due to the heterogeneous political and economic natures of the EU member states. Unless the EU member states consolidate their own interests towards the EaP, the Program is not likely to make further progress. The effectiveness of the EaP has also been hampered by ongoing domestic developments in each of the target countries. Some countries are perceived to be strategically more important than the others. For example, while the trial of former Ukraine Prime Minister Yulia Timoshenko alienated Ukraine from the EU, Azerbaijan has been trying to promote itself as an independent energy supplier, providing alternative for diversification of energy imports in Europe. While Belarus has been reluctant to conduct negotiations on human rights violations and releasing imprisoned opposition leaders, Armenia is still to be tested on its democracy credentials. Some post-Soviet republics continue their course of European integration irrespective of any threats from Moscow, while the others prefer to weigh all pros and cons before making a final decision.

On the other hand, the question remains whether or not Europe is just as willing to continue closer engagement with its Eastern neighbors and neglect relations with Russia, which have been built on the basis of mutual interdependence over decades. Only a few smaller countries, particularly Poland and Lithuania, seem to be willing to undermine their relationships with Russia for the sake of the EaP. However the EU’s majority has a much more cohesive strategy toward Russia than the EaP, focusing on both economics and security issues. Even before the EaP was launched, Russia became the subject of the first Common Strategy in 1999, while no common strategy was developed for any of the EaP countries. In 2001 Russia became the first country in which the European Investment Bank was allowed to operate. At the same time, Russia was among the first countries in the world with which the European Police Office (Europol) launched an agreement on law enforcement in 2003. Only with Russia did the EU establish a one-of-a-kind Permanent Partnership Council in 2003. Today, Russia also welcomes the EU contribution to its modernization program, which was launched in 2010 as a plan to bring

32 Ibid.
36 Katlijn Malfliet, lienVerpoest, and Evgeny Vinokurov, The CIS, the EU and Russia: The Challenges of Integration (New York: Palgrave Macmillan, 2007), 126.

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about reform in the fields of the economy and society, democracy and the rule of law, and a visa-free regime. As Russia’s EU envoy Sergei Yastrzhembsky pointed out in 2004, no other EU neighbor had relations with the EU as intense as Russia, with summit meetings twice a year and plans for a broad-based agreement encompassing relations in four spheres of economy, internal and external security, and humanitarian issues. By contrast, Ukraine meets with the EU only once a year, and the other EaP states do not meet with the Union at the highest political level at all.

Conclusion

Despite its pledge to launch a cohesive policy toward the former Soviet countries of Eastern Europe, the EU continues to have a more coherent and dynamic relationship with Russia than EaP target states. Russia may be too important to be bound by an EU formula for partnership that encroaches on its perceived sphere of influence. The institutionalized political dialogue will also remain more extensive with Russia, given the variety of high-level institutionalized relationships through the UN Security Council, Russia’s active involvement in protracted conflicts, and its military representation in EaP member states. So far, tensions over the European project are being taken out on the EaP countries themselves, instead of between EU and Russia. For these reasons, the EaP is unlikely to have any significant impact on EU-Russia relations.

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