

## Event Report Expert Workshop Eastern Partnership Policy

In 2015 the *Heinrich-Böll-Stiftung* (hbs) took part in the **Commission's consultation procedure on the new European Neighbourhood Policy (EaP)**. Our [contribution](#) was based on the results of an expert workshop in Brussels in which the relevant hbs offices and departments discussed their experiences and ideas with experts from the European Commission, the EEAS, the European Parliament, think tanks, NGOs and universities. The **new ENP** was presented in [November 2015](#). In 2016 the *Heinrich-Böll-Stiftung* organised two **ENP workshops**, one focused on the [southern neighbourhood](#), the other on Eastern Partnership (EaP). Again, the relevant experts from the EU institutions, think tanks, NGO and the academic world were invited to meet with the regional offices and departments of the hbs and invited experts and contributors to our web dossier [Rebuilding the Neighbourhood](#) – and discuss the recent developments in the eastern neighbourhood and the subsequent challenges for the Eastern Partnership. The introductory questions were:

- *What has changed in the eastern neighbourhood?*
- *What are the main challenges to which the EU has to respond and – after the Brexit – what can the ambitions be?*
- *How much credit does the EU still have in the eastern neighbourhood?*

**Other key questions** were:

- *Judiciary and rule of law: should there be different strategies with reformers and non-reformers?*
- *Visa liberalisation for Ukraine, Georgia, Moldova - Is the EU (with national governments being the main responsible) jeopardising its credibility and predictability and what does this mean concerning the potential and the limitations of EaP?*
- *Economic prospects and development scenarios of EaP countries: What can/should the EU do to promote sustainable economic modernisation?*
- *What communication strategies should the EU apply to counter growing Euroscepticism and nationalism in EaP countries?*

### 1) **What has changed in the eastern neighbourhood?**

Since the consultation procedure and the introduction of a new Neighbourhood Policy in November 2015, not much seems to have changed in the eastern neighbourhood. While the EU was overwhelmed with the conflicts in Syria and Ukraine, the EaP had not much opportunity to progress, but rather the existing problems have become more urgent than ever. Still, the commitment of the EU towards the eastern neighbourhood countries has not diminished. The EU recognised that a 'one-size-fits-all' policy fails to live up to the heterogeneous nature of the Eastern Partnership countries and has since followed a more differentiated approach.

## **Developments in the neighbouring countries**

Regarding the ongoing conflict in **Ukraine**, the EU's foremost goal has been to stabilise the country. The EU has provided a great deal of humanitarian aid, not only to the pro-European side but also to the occupied areas in eastern Ukraine. With support of the EU, much progress has already been made in the fight against corruption, the rule of law, the reestablishment of a national police force and reform of public administration. However, much more needs to be done. While the EU is aware that carrying out reforms in Ukraine is difficult right now, the conflict in the east of the country cannot be used as a permanent excuse for not carrying out reforms. **Belarus** seems to be on a good way. The EU has engaged with Belarus through a 'Coordination group' which addresses several issues at once. While no massive breakthrough has been reached and not so much has changed for civil society, the country is definitely willing to open up. A lot of small, positive steps are visible, like the fact that for the first time since a long time two oppositional members are represented in the parliament. While these developments could serve as an encouraging signal, the country still meets much criticism from EU Member States. More time is needed to let the situation be stabilised and to see in which direction the country is heading.

The European Neighbourhood Policy in the South Caucasus region is challenged by the heterogeneity and fractious nature of the region which makes it hard to apply regional integration policies. In order to deal with this heterogeneity, the ENP is based on a unified set of policies which are linked to a number of instruments as a function of single objectives. This does not mean, however, that the EU has 'a one size fits all' policy. The ENP is based on a differentiated approach, an increased ownership of the ENP by the EU Member States and a more flexible financial approach to issues than in the past. **Georgia** for example has made much progress during the past years and has become the 'best pupil in class'. Both the Association Agreement and the DCFTA (Deep and Comprehensive Free Trade Agreement) have been successfully implemented and the past elections have been peaceful. This progress now needs to be rewarded and made more visible with an agreement on visa-free travel.<sup>1</sup> As the Member States agree on this issue, it can hopefully be implemented as soon as possible. Moreover, there is also a need for additional funding to make the DCFTA more successful. However, it is still too soon to predict where Georgia will head in the future. Recent developments in Georgia might give rise to a number of questions concerning future trends in the democratic development of the country. Firstly, the fact that the Georgian Dream Party holds at a constitutional majority in the parliament Secondly, The highly conflictory relations between the current (Georgian Dream) and the former (National Movement) ruling parties. Thirdly, the deconstruction of pro-western and liberal parties (Republicans, Free Democrats, United National Movement) who have all split up in smaller groups). Fourthly, the rise of right-wing nationalism (the Patriot Alliance of Georgia made it into the parliament where it established a political faction of six MPs). Fifthly, the concentration of several nation-wide media under one holding and the law-suit against the owners of one of the nation-wide TV companies Rustav2 affiliated with the oppositional United Movement Party. What if the Georgian Dream Party that gained unbounded power as a result of the 2016 parliamentary election wants to monopolise power and is willing to violate democratic procedures in order to maintain it? In this case, it would be vital for the EU to have leverages for influencing politics and to ensure that Georgia remains faithful to its pro-western and European commitments.

**Moldova** on the other hand, is much more difficult, as the EU has to think about what kind of stability it wants in the eastern neighbourhood. The EU should ask itself if it wants to continue to support an oligarch who de facto rules the country under the pretext of pro-European reforms.

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<sup>1</sup> Visa-free travel for Georgians was adopted in the EU Council on 27 February 2017.

Another issue is the banking scandal of 2014, where one billion dollars got lost from the country's major banks. This has to be solved to the last detail before the EU will resume its financial support. A differentiated approach is also needed in the case of **Azerbaijan**. On the one hand the EU wants to increase its business relations with Azerbaijan and on the other hand it also wants to promote and enforce European values. While Azerbaijan is eager to cooperate with the EU in business – especially in the energy sector, transport and economy – values are hardly involved in this partnership yet. The still ongoing conflict with Armenia on Nagorno-Karabakh is a big obstacle. There have been high level talks between the two countries within the Minsk framework where civil society was also present but efforts to solve this issue have failed so far and the EU is not overly optimistic. Funding would be necessary to establish discussions on the middle level involving experts about new ideas how to bring the parties closer together. Additional to this problem, the regime is prosecuting all kinds of political opposition and civil society. If the EU does not want to endanger its values, it has to clearly state its opposition to these kinds of violations and should not cooperate with Azerbaijan at the moment. Much time was already lost with negotiations on the AA; now a new, tailor-made solution can be worked out. **Armenia** is not an easy partner either, but is generally on the good track. The EU is currently negotiating a new tailor-made agreement that will probably be ready early 2017. The final stage of negotiations on a new legal framework agreement enhancing Armenia's relations with the EU represents a rare 'second chance' for Armenia to restore, regain and rebuild relations', especially after the 2013 decision by the Armenian president in favour of committing Armenia to join the Russian-led Eurasian Economic Union. The new agreement is a strategic achievement by Armenia and the EU alike and a demonstrable success for the Eastern Partnership programme. Yet, what disturbs Armenia's relationship to the EU is the fact that the country is constantly searching for equilibrium between Russia and the EU. This means that Armenia does not want the regulations envisaged in an agreement with the EU come into conflict with the regulations of the Eurasian Union. While the EU takes such potential conflicts into consideration, they cannot be the basis for negotiations.

## **2) What are the main challenges to which the EU has to respond and – after Brexit – what can the ambitions be?**

There are a few structural problems that stand in the way of an effective neighbourhood policy and are visible throughout all countries of the EaP. It is vital for the EU to address these issues in order to convey a coherent, credible Neighbourhood Policy and to tackle the growing Euroscepticism in partnership countries.

- **EU-internal differences between Member States**  
Member States have very different perceptions of and approaches towards the eastern neighbourhood countries, also in the context of relations with Russia. This is especially visible in the EU's policy towards Ukraine, Georgia and Azerbaijan. Ukraine has been the victim of internal disagreement in the EU regarding the planned visa-liberalisation agreement. Due to the Dutch referendum in early April this year, the agreement failed for the time being which was quite embarrassing for the EU. Ukraine had fulfilled the criteria and the agreement would have sent a strong signal. Now, the EU will have to come up with another solution in order to keep Ukraine engaged.

In order to avoid such inconsistencies in the future and to share a coherent policy towards eastern Europe, Eastern partnership must be a part of the Common Foreign and Security Policy of the EU. It must also be strongly backed by the Member States themselves.

- Engagement with Civil Society

The EU has made some progress in its communication to and engagement with civil society in the Eastern neighbourhood, especially under the new Deputy Director General of DG NEAR, Katarina Mathernova. However, there are severe structural problems that prevent a broad engagement with civil society: Although the EU supports civil society in those countries financially, it engages mainly with governments. One reason for this is that the institutions set up by the EU are not fit to engage with individuals or civil society but only with government bodies. In addition, the EU supports governments due to security issues, e.g. in order to deal with refugees, while at the same time those governments use this support to repress civil society. As a result, the EU's ability to communicate to the people and to offer them real alternatives suffers severely. The EU must solve these structural issues if it wants to stop the increasing disenchantment that has spread in the region. The Eastern Partnership has to become much more flexible and accessible on regional and municipal levels. It must identify drivers of reform and support them with all means. A first step in this direction is the Eastern Partnership Civil Society Forum which is quite an effective instrument to engage with people directly, as it is a platform where civil society in the eastern countries, EU representatives and officials can meet and exchange ideas on a regular basis. However, this engagement is not sufficient and requires a lot more effort.

- Rethinking our values

In the course of the present challenges the EU is confronted with, like the war in Syria and the refugee crisis, the EU's credibility has been damaged severely. The image that is increasingly conveyed is that of a cold and hard Europe. The EU has to rethink its values and should question how it wants to rule itself. Do we still live in a value-based community? What values do we want to follow in our policy? These core issues are constantly ignored, because there are no institutions set up to deal with them. But unless the EU finds a way to sort out these internal problems, it might not be able to address the external problems it is facing.

In this context, the EU should also review what kind of strategic partnership it wants to promote in the neighbourhood. A real strategic partnership is to be understood as promoting stability through **democratisation and good governance**. In this respect, the EU has to be clear that it is addressed to drivers of democratic reform, defenders of human rights and creators of independent public space. Only then is it investing in processes that are owned and shaped by both its partners and the EU itself. In this respect, the EU has partners in some parts of the political elites in Ukraine, Georgia and Moldova and some individuals in Armenia and Belarus. In the case of Azerbaijan, the EU has no real strategic partnership as no values are involved in this relationship yet.

Would more honesty help to make EU-policy more understandable or should one separate economy-related/hard-power issues from the strategic partnership?

Recently a Strategic Communications Division (StratComms) was established as part of the EEAS, but its strategy is too much focused on presenting what the EU has delivered. Rather than on such forms of self-legitimation **the EU should focus on dialogue with civil society and with society at large.**

### 3) How much credit does the EU still have in the eastern neighbourhood and what can be done to improve its credibility?

- What can the EU do to decrease Euroscepticism in the eastern neighbourhood?  
The main problem is one of deliverables. The EU has not always delivered (as e.g. the visa liberalisation agreement with Ukraine where EU is not delivering at the moment). In Ukraine this has led to a sense of disappointment, people feel left alone and fewer people see a perspective of integration in and support from the EU.  
Another major problem in the EaP is the lack of deliverables. Although this may not be due to the EU's general political approach but rather to contradictions between Member States, EP, European Council and others, this is not visible in the region itself. Especially in regard to the visa liberalisation policy towards Georgia and Ukraine, a lot of credibility was lost. **The EU should more deliver in times of crisis, be more effective and pragmatic. Also it is important to observe whether and why alternative political projects like the Eurasian Union gain public sympathy in the neighbourhood and in what way the EU agenda is damaged by Russian propaganda.**
- Double Standards  
Regarding the Euronest parliamentary assembly, the platform of parliaments of EU and EaP partners, various problems of parliamentary cooperation have emerged, the main problem for the EP being how to deal with Azerbaijan and Belarus. Azerbaijan is well versed in lobbying the EP, which has resulted in double standards: whereas the EP is critical about human rights violations in Belarus, it is much less critical about human rights violations in Azerbaijan. The EU should be strict on values. It should even sacrifice economic interests of some of the European companies when dealing with autocratic and inhumane regimes – otherwise social change in the non-EU countries will have no moral support and will simply not be possible.
- Exclusive EU policy  
Especially in the field of energy cooperation, the policy of the EU is mainly driven through Member States and is often excluding neighbouring countries. An example for this is the North Stream II project. A more credible EU energy policy should also take into account the needs and interests of the EaP countries and focus stronger on the modernisation of networks, renewable energy and on the interconnection of the EU and its neighbouring countries. Otherwise, this could heavily undermine the Eastern Partnership.
- Strengthening resilience in the neighbourhood  
The fact that there are no hard-power elements in the Eastern Partnership policy makes it for some countries which feel threatened by Russia unattractive or even irrelevant. **The Eastern Partnership should therefore play a greater role in strengthening the resilience of EaP countries regarding high level aggression, propaganda, corruption networks etc. It should furthermore play a stronger role in countries with credible commitment to reforms of the security sector.**
- Fighting corruption  
An important question is how to deal with corruption in the neighbourhood countries. An interesting example is Moldova where the EU responded with strict conditionality and financial cuts. After the EU distanced itself from the Moldovan government, its decreasing ratings in the population have increased again. **The EU should engage with**

**governments only as long as reforms are pursued and concrete results are visible.**

**4) Judiciary and rule of law: should there be different strategies with reformers and non-reformers?**

There is a general problem which is how to deal with the restriction of liberties in the various countries. In **Georgia** for example a large parliamentary majority allows for constitutional amendments, which could negatively affect civilian liberties and family policies. There is also the fear of limitations in media law, against Rustavi 2 and independent media. Moves against civil society are possible as well. And, the leading role of an oligarch, as also is the case in other countries of the region, is a threat to democracy. In **Ukraine** we have the division between the Maidan movement which is in favour of democratic reforms, pro European integration and sees Europe as their ally and the pro-war camp that is gaining strength in Ukraine. They are nationalist, for more state control and fewer democratic reforms. Here it is important that the pro-war camp must not drift too far away from the Maidan agenda. The situation differs from country to country – strategies need to be tailor-made.

**5) Visa-liberalisation for Ukraine, Georgia, Moldova – Is the EU jeopardising its credibility and predictability and how does this concern the potential and the limitations of EaP?**

The visa liberalisation issue with Ukraine and Georgia has turned into an embarrassment for the EU. Ukraine has become the victim of internal disagreement in EU as it has fulfilled the criteria, but because the Netherlands rejected the Ukraine Association Agreement in a referendum, the agreement failed. The EU must come up with a solution quickly.<sup>2</sup>

The latest election in **Georgia** was a progress compared to previous elections, which is a hopeful sign for future cooperation. Georgia has delivered and has earned visa-free travel. This will be hopefully ASAP, once a new suspension mechanism is in place. Member States are unified on this.

**6) Economic prospects and development scenarios of EaP countries: What can/should the EU do to promote sustainable economic modernisation?**

One way to do this is through energy policy. So far the EU's energy policy has been mainly driven through Member States; it has not been developed with the neighbouring countries; in fact it has rather been excluding them. A more credible EU energy policy would focus more on modernisation of networks, renewable energy and on the interconnection of the EU and neighbouring countries and should also take into account *their* needs and interests in energy policy. The EU should give more incentives to its neighbours to join the Energy Community. It should also give more support to its neighbours to modernise the energy sector and knowledge and expertise on energy policies. A lack of support on these issues could undermine EaP (as e.g. is the case with North Stream II).

**7) What communication strategies should the EU apply to counter growing Euroscepticism and nationalism in EaP countries?**

- The **internal communication** of the EU Member States with their citizens has not been optimal, which has affected EaP policy as the 'Ukraine referendum' in the Netherlands

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<sup>2</sup> See footnote 1.

has shown. There has to be an open dialogue about the weaknesses of the EU but also about its internal and external successes of the EU.

- As far as EaP is concerned, the EU should not only negotiate with the governments but should **engage broader with society**, there has to be communication with all forms of opposition and actors of civil society. The support of pro-European groups has to be increased. This will also help to diminish the influence of Russia in the region.
- The EU (Commission, national governments, embassies) is already in dialogue with different stakeholders but should start to see various groups as partners for the future and have a **common plan** that aims at a common goal.
- The contacts with **civil society** have become more formalised, which is as such not a bad thing, but there is a danger of becoming a 'formalised club', closed to the outside
- EU should engage with liberal NGOs that want to cooperate and on the other side it has to invest much more in the **public space**: even democratic reforms cannot be passed behind closed doors but must be discussed publicly! This is important in order to prevent nationalist developments.
- Regarding **Belarus**: a basic communication has started but should be enforced in the future.

### 3) Relations with Russia

The EU's relation with Russia is a very important factor that is strongly affecting the Eastern Partnership.

#### How does the Kremlin perceive the Eastern Partnership?

The Kremlin has a negative perception of the EU's neighbourhood policy in eastern Europe. As demonstrated over the past 25 years, Russia's leadership keeps pursuing influence in the *near abroad*. We can already find indications of this in Russia's 1993 Foreign Policy Concept as well as in the 1999 Medium Term Strategy, and in 2009 Russian Foreign Minister Sergey Lavrov openly stated that he is against the EU's Eastern Partnership (EaP) policy as he sees it as an expansion of the EU *sphere of influence*. Similarly, Russia considers democracy developments in the neighbourhood as a threat to the status quo.

Russia's negative perception of the EaP has become more exasperated after the Maidan protests in Ukraine, which led to the Russian annexation of Crimea. With these actions, Russia has damaged relations on several levels: on the *political* one (mainly with the EU and Ukraine), but also on the *societal* one (mainly in Ukraine and Armenia). Effects can also be felt inside Russia, as the country is currently experiencing some sort of paranoia regarding the EU's actions.

#### Why is the EaP perceived negatively?

Russia sees the EU as a *geopolitical competitor*, a perception that has intensified over recent years, starting especially from the war in Georgia, which signalled that Russia is increasingly perceiving the EU and NATO as similar organisations. The EU is increasingly seen as an anti-Russian project and as a NATO puppet.

The Kremlin's *zero sum game thinking* and *neorealist logics* – which have a tradition in the Russian way of understanding foreign relations – come to clash with the EU actions under the EaP umbrella and interpret western relations with the region as a loss of Russian influence. Russia interprets the EU's at times half-hearted engagement with the region and the use of double standards as a proof that the *EaP is an effort to fill the void between the EU and Russia with nothing*, an anti-Russian project which is aiming at the destruction of post-soviet traditional (i) economic relations and (ii) energy relations and (iii) of the Eurasian integration process.

Since Russia considers NATO's advancement in relations with Georgia and Ukraine as a result of Russian passiveness/ lack of action, it has turned towards a 'sovereign' discourse. Moscow wants to be more *sovereign* at home and abroad and sees the EaP as possible only if Russia is included. Russia considers itself a big player that has been humiliated by the EU and intends to turn this around.

The EU has taken some steps towards Moscow, trying to meet some of its requests, albeit unsuccessfully. (i) It presented the EaP as a non-competing project, stressing that association with the EU through trade agreements like the DCFTA does not exclude other types of association with Russia, since the DCFTA is compatible with other trade agreements. (ii) The EU was also open to a trilateral model of consultation, provided that the EaP country in question would agree. (iii) Finally the EU offered Russia the possibility of being a friend of the EaP which was also refused.

This demonstrates the need to better communicate EU intentions and to invest more in explaining what the EaP is about and what future prospects are there for the EaP, as for Moscow this is difficult to predict and a source of tension.

### **What future moves regarding Russia's neighbourhood can be expected from the Russian leadership and how can the EU anticipate them?**

It is very difficult to predict Russia's future moves, especially now that the country is on a declining trajectory. This might push the Kremlin to take more risks, as Putin needs foreign policy successes to justify and further consolidate his power domestically.

It is likely that Russia will continue to use soft power tools in EU and neighbourhood, exploiting power vacuums. Moscow will continue to try to alter the EU-EaP countries integration process with all the available tools, especially *political* and *economic* ones as it occurred in Moldova and Georgia. We might see more military exercises as Russia is currently trying to strengthen its military bases across the region. Finally, bilateral relations with the US will play a role in Moscow's policy in the neighbourhood.

### **How should the EU position itself in the eastern neighbourhood vis-a-vis Russia?**

The EU policy towards Russia won't change in the foreseeable future but in answering this question, it is important to take into account the different actors involved. EU Member States' bilateral relations with Russia, Member States' role within the EU, relations between EU-EaP-Russia will all impact overall EU-Russia relations.

Finding a common position towards Russia among EU member states is very difficult, if not impossible. However, the EU should:

- Show unity and resilience and deliver quickly on the agreements especially with association countries;
- Invest in information campaign to counter Russia's propaganda efforts;



- Maintain sanctions and make it clear that they will not be lifted until Russia meets EU demands. The EU's different sets of sanctions in place which allow for a flexible response;
- Maintain engagement with Russia, but limit it to certain sectors (to be named);
- Invest more resources in understanding Russia's internal developments and in communicating to Russia. Experience has shown that debates and conferences focusing on EU problems help starting a discussion also on Russia's problems on equal footing. This communication approach appears to yield better results when compared with straightforward EU promotion.
- Finally, following the Global Strategy, in the EaP region the EU should use the security toolbox it currently has available especially when it comes to *security sector reform (SSR), capacity building and peace building*.
- Explore what could be the role of Turkey, which could be an important ally in rebalancing relations with Russia.

In particular towards EaP countries, the EU should:

- Explore the possibility of approaching Russian liberals currently living in Europe, who could be ambassadors and mediators in the communication between Belarus, Ukraine and Russia.
- Set realistic goals towards both EaP countries and in relations with Russia
- Invest more in public diplomacy efforts to better communicate its results to EaP partners;
- Increase the mobility of the people;
- Continue investing in its differentiated approach.