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The Future of the EU's Eastern Partnership Policy: “Everything but Institutions”

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The EU needs to have a very clear and simple understanding of the strategic reason for its Eastern Partnership policy: unless the EU exports stability into its Eastern neighbourhood, it risks importing instability from it. When discussing the issue of strategic autonomy of the EU, first of all we need to understand that this must start with a strategic responsibility for the development and stability in its European neighbourhood. This can be achieved only if there is a possibility for EU integration. Since 1990, there has not been a single example of a post-communist and post-totalitarian country in the EU's neighbourhood, which was able to achieve stability and prosperity on its own, without integration with the EU.

The success of the newly democratic Central European and Baltic countries back in the 1990s was possible mainly because these countries went through rapid processes of integration with the EU. Their clear perspectives of EU membership, available through the EU's Copenhagen criteria in 1993, was permanently keeping them on a high level of motivation for necessary reforms.

The Western Balkans and the Eastern Partnership countries (Belarus, Ukraine, Moldova, Georgia, Armenia and Azerbaijan) were for different reasons not able to follow the same path of EU integration from the very beginning of the 1990s. The Western Balkans countries were able to do so only after the Balkan wars had ended and the EU's Thessaloniki Declaration on the region's EU integration had been adopted in 2003. The EU's Eastern Partnership policy for its six Eastern neighbours, quite divergent in their development of democratic institutions and integration ambitions, was announced in 2009.

Three of the Eastern Partnership countries – Ukraine, Moldova and Georgia – have declared a higher ambition of EU integration and achieved significant progress through the Association Agreements, including Deep and Comprehensive Free Trade Areas, signed in 2014. Armenia was set to sign such an agreement, but unexpectedly broke off negotiations with the EU in 2013 to pursue membership of the Moscow-led Eurasian Economic Union. Instead, the EU and Armenia concluded a “lighter” Comprehensive and Enhanced Partnership Agreement in 2017. The leaders of Democratic Belarus are declaring that they will follow the same way as Ukraine, Moldova and Georgia, once a democratic transition has been concluded in

Belarus, where the illegitimate regime has stated that participation in the Eastern Partnership has been suspended. While the EU and Azerbaijan have a Partnership and Cooperation Agreement in force since 1999 and began negotiations on a new framework agreement in 2017, the authorities of Azerbaijan are showing less interest and ambitions in pursuing any more substantial EU integration agenda.

Ukraine, Moldova and Georgia are, despite their declared ambitions to seek EU membership, not getting any clear answers from the EU about the prospect for this, apart from an acknowledgment of the three countries "European aspirations and European choice". This separates them from the Western Balkan countries, which the EU has explicitly promised membership perspectives. Despite this difference in the EU's approach towards the two regions, the development of them is not that different. Until recently, Georgia was considered a frontrunner of integration not only among the Eastern Partnership countries, but even in comparison with the Western Balkan countries[1]. It means that such formal factors like "membership perspective" or "candidate status" are not anymore sufficient to keep motivation for reforms on a high level. There are several reasons for that, which we shall describe below.

This summer, Georgia, Moldova and Ukraine declared the creation of an Associated Trio format. Its goal is to pursue a more ambitious integration agenda. This shows that these countries have bigger ambitions and that they are not satisfied with the Eastern Partnership policy instruments and perspectives provided by the EU so far.

Despite the progress achieved by all three Associated Trio countries during the past decade, the EU is still not providing them any clear membership perspectives. This depends not only on the state of reform implementation by the three countries, but also on the lack of political will inside the EU.

Without a much clearer perspective from the EU's side on at least some new substantial steps on the integration road, the motivation for reforms in the Associated Trio countries will start to erode, the political polarization in them will increase and less attention will be paid to real reforms, which are needed for integration. We can only guess how such an eroded motivation will look, but the erosion will increase significantly unless the current EU Eastern Partnership policy will not be upgraded with new more ambitious ideas, which could bring substantial progress of integration during the next 10 years.

When talking about the post-2020 Eastern Partnership policy, we therefore need to ensure not only that the Eastern Partnership countries speed up their reform tempo, but also that the EU reforms its policy towards them, especially towards the Associated Trio countries.

In order to better understand how the Eastern Partnership policy should be reformed, we need to have in mind that the most important strategic goal of this EU policy should be to give the Associated Trio countries a new, ambitious and strategic goal on their road towards EU integration, which would be attractive and practically achievable for both the concerned countries and the EU.

It is proper time to recognize the political reality: the EU is, for the time being, not ready to give the Associated Trio countries a clear perspective of full EU membership. There are different reasons for this, but one of the most important is the need for deep reforms within the EU and its institutions. This is also something that President Emanuel Macron has spoken about on several occasions. Due to the veto right of EU member states, it is for example

difficult to make decisions already with the current 27 Member States. This will be even more complicated or almost impossible if the EU would be enlarged with six Western Balkan and three Associated Trio countries.

The issues relating to the rule of law in Poland and Hungary are also making EU member states even more reluctant to open the doors for a full-scale enlargement.

Many experts (such as from the European Stability Initiative[2] and CEPS[3],[4]) warn that even Western Balkan countries will not have a possibility to become members of the EU, notwithstanding all the political promises from the EU. It is very clear, that the EU accession negotiations regarding these countries are in some kind of stagnation or impasse, which makes both sides increasingly dissatisfied. The underlying reason for such an unsatisfactory development is the same: that the EU, despite good-willed political declarations regarding EU membership perspectives, lacks real political will to push the process forward. As a result, the Western Balkan countries are starting to lose trust in the process and in the possibility of progress.

The same is happening with the Eastern Partnership policy: if nothing will change in the EU's policy towards the Eastern Partnership region, especially towards the Associated Trio countries, there is a risk for a stagnated integration process in the next decade. Georgia, Moldova and Ukraine will keep asking for membership perspectives and will keep getting the same answers from the EU institutions: start with making the reforms and the issue of integration perspective will be decided by EU later on.

However, this is simply kicking the can down the road, which frustrates both the Associated Trio countries and politicians in the EU and in EU member states. As already noted, the outcome of such a long-term impasse will be very negative since the motivation for reforms in the Associated Trio countries will continue to erode. Additionally, political instability in the region will continue to emerge increasingly often and third countries (such as Russia and China) will try to further their strategic interests in the region. In effect, the EU will fail with its strategic responsibility to take care of the development and stability in its Eastern neighborhood. If the EU fails with its integration policy and export of stability into its neighbourhood, it will instead start to import more and more instability. Such a tectonic negative development, which is possible to register only in a longer time perspective, will be a clear consequence and evidence of "Westlessness", the major problem of the West, to use the terminology of last year's Munich Security Conference.

In other words, the EU's Eastern Partnership policy needs a strategic reform, going beyond technical elements and so-called "deliverables" into a changed "philosophy" from the EU's side regarding integration of the Associated Trio countries.

Such a proposal was laid out in our recent policy paper "Eastern Partnership 'Beyond Westlessness'[5]. The idea is very simple: if, for the time being, the EU is not ready to offer the Associated Trio countries a clear EU membership, let's instead push for an intermediate but realistic and practically achievable status, which would give the Trio countries most of the benefits of a full membership, but also avoid the stumbling question about- EU membership and integration into the EU institutions. Here we need to bring back the Romano Prodi formula from 2002 to offer the EU's neighbors the possibility of a status that could be described as "everything but institutions".

We could call it the Norwegian model, based on the Norwegian membership in the European Economic Area, or full integration into the European Single Market with its

“four freedoms” – in practical terms there is no essential difference. This is also exactly what the European Parliament asked for in its very important resolution on the future of Eastern Partnership policy that was adopted in 2020. What these models have in common is full economic integration into the Single Market, including all rights and obligations, preconditioned to the implementation of more than 70% of *acquis communautaire*, as well as functioning democracy and the rule of law. The effects of this can be expected to be significant. Lithuania, for example, had a GDP per capita (in PPP terms) of 36% of the EU average in 1999, before joining the EU (and its Single Market), but now reaches almost 85%. Similar effects could be achieved by the Associated Trio countries, if integration into the Single Market would become a clearly defined strategic intermediate priority.

The integration of the Associated Trio countries from the Eastern Partnership region (also of the Western Balkans countries, if that would be their choice) into the Single Market and its “four freedoms” could be fully realized within the next decade, or maybe even sooner. For this, there is absolute clarity on what needs to be done by both the EU and the Associated Trio countries. For reference, one can look up the Norwegian Foreign Ministry’s website containing detailed explications of the legal acts that Norway needed to adapt to EU legislation in order to integrate into the EU Single Market (through the European Economic Area). According to Norway, 22 areas covered by the Single Market legislation need to be implemented in order to integrate into the EU’s Single Market. It is possible to do it.

The goal of intermediate status as a member of the EU’s “Single Market club” does not preclude the goal of full membership in the EU at a later stage. This is what Austria, Sweden and Finland did after their integration into the Single Market. Norway and Iceland had the same option but made a different choice at that time and decided to not seek full membership in the EU and instead stay in that intermediate status of membership in the EEA.

Now is the time to find a way to move forward from the impasse of Associated Trio integration, which we have witnessed during the last ten years and which for the next ten years constitute the biggest danger for countries like Georgia, Ukraine and Moldova. Otherwise, we will all lose at the end.

Both the EU institutions and national governments of the Associated Trio countries should stop kicking the can down the road and instead make a decisive move towards EU integration into the intermediate status, as described above. Indeed, 70% of integration into the Single Market is less than 100% of full membership in the EU, but it is way more than the 0% we have now.

Both sides must change gear now. The governments of the Associated Trio countries need to move ahead and ask the EU for clear possibilities of accelerated integration into the Single Market, as an intermediate status. But also the EU needs to move forward and provide the Associated Trio countries with such a realistic perspective. The realistic perspective, which both sides could trust, requires not only a clear agreement on how to achieve Single Market integration within the next five years, but also a clearly defined process for regular evaluations, negotiations and possibility to compete among Associated Trio countries for best performance. Efforts are also needed to strengthen the political will for such process inside the EU. This could be done by using the experience from the so-called “Berlin process”, which was established in 2014 to support the Western Balkan integration process. A similar process should be established to facilitate the integration of the Associated Trio countries into the Single Market. Just like for the “Berlin process, a special coalition of like-minded EU Member States needs to be urgently created. This coalition should encompass the EU Presidencies of the forthcoming

decade, including the Czech Republic (2022), Sweden (2023), Poland (2025), Lithuania (2027) and Latvia (2028). France and Germany are also very much needed in such a coalition, which also should comprise other Nordic and Central European countries.

This is how the EU's new strategic and effective Eastern Partnership policy should look. It is the most significant item on the EU's geopolitical agenda. Through an ambitious integration policy, the EU can help the Associated Trio countries succeed. As rightly put by the European Parliament in its recent Report on EU policy towards Russia, this will have a major inspirational power also on ordinary Russian citizens for the transformation of their country and for returning it to the democratic way of development. This should be the major strategic goal for the EU, because it is the only way to make the dream of a Europe whole, free and at peace a reality of the twenty-first century.

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