

The EU and Russia

Locked into confrontation

SUMMARY

Following the post-Cold War reset of the 1990s, EU-Russia relations have become increasingly tense. Although initially seen as a pro-Western reformer, since the start of his first presidency in 2000 Vladimir Putin has shown increasingly authoritarian tendencies, and his efforts to assert Russian influence over post-Soviet neighbours threaten the sovereignty of those states.

Russia's 2008 war against Georgia led to no more than a temporary cooling of relations with the European Union (EU). However, its 2014 annexation of Crimea caused a more permanent rupture. Responding to Russian aggression in Ukraine, the EU adopted hard-hitting sanctions.

In 2016, the EU decided to base its Russia policy on five principles, which remain as valid as ever in 2020. They are: insistence on full implementation of the Minsk Agreements on eastern Ukraine as a condition for lifting sanctions against Russia; efforts to strengthen relations with Russia's former Soviet neighbours; greater EU resilience to Russian threats; selective engagement with Russia on certain issues such as counter-terrorism; and support for EU-Russia people-to-people contacts.

After six years of deadlock, French president Emmanuel Macron is among those calling for renewed EU-Russia dialogue. Improved relations between Ukraine and Russia following the election of President Volodymyr Zelenskiy in spring 2019 raised hopes of a solution to the Donbass conflict, which is still the main obstacle to better relations between the two sides. However, there is still no sign of a breakthrough.



Queen Louise Bridge, on the Russian-Lithuanian border.

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How did we get here?

Post-Cold War cooperation

The easing of Cold War tensions and the collapse of the Soviet Union put EU-Russia relations on a new footing. In 1994, the two sides signed a [partnership and cooperation agreement](#) (PCA), which came into effect in **1997**. The agreement created new communication channels between the two sides, with EU-Russia summits held twice a year, alternately in Brussels and Russia. The summits were attended on the Russian side by the president and relevant government ministers, and on the EU side by the Commission president and (since the Lisbon Treaty), the European Council president and the High Representative for Foreign Affairs and Security Policy/Vice-President of the European Commission (HR/VP). At ministerial level, a Cooperation Council comprised Russian and EU Member State ministers together with European Commissioners. At senior official level, regular dialogues were held on subjects of shared interests such as energy, human rights and migration.

Both sides have described each other as '[strategic partners](#)'. The EU first used the term in respect of Russia in [1998](#), while for his part Vladimir Putin acknowledged that Europe was Russia's 'natural, most important partner' in [2003](#).

Also in **2003**, the EU and Russia agreed to work on deepening their relations in four 'common spaces' (economic issues, freedom, security and justice, external security, research and education), and in 2005 adopted [roadmaps](#) spelling out objectives for each of these spaces. In **2008**, the EU and Russia began negotiations on a new agreement to replace the 1994 PCA, with possible objectives including an EU-Russia free trade area and visa-free travel.

Growing tensions under Putin's presidency

Despite this cooperation, EU-Russia relations have become increasingly difficult. One of the first international events to expose differences was North Atlantic Treaty Organization (NATO) 1999 bombardment of Russian ally Serbia, described by then president Boris Yeltsin as an '[outrage](#)'. At the start of his first presidency in 2000, Vladimir Putin was seen by many as a promising partner, open to liberalising reforms and close cooperation with the West; in 2001, he even appeared [willing](#) to consider Russian membership of a pan-European military alliance, possibly based on NATO. However, European hopes that Russia would develop into a liberal democracy were soon disappointed; by the end of his first presidency, Putin had already [begun](#) the process of reining in independent media and eliminating potential rivals, with the help of politically motivated financial investigations and trials.

Post-Soviet eastern Europe became a major arena for confrontation. At first, Moscow's objections were [muted](#) during the initial wave of NATO enlargement to former Warsaw Pact allies (only much later, in 2014, did Putin [allege](#) that the Alliance had broken a gentleman's agreement, made during 1990-1991 talks on German reunification, not to expand east of Berlin). Similarly, notwithstanding some [concerns](#) about the implications for its trade with the region, Russia did [not oppose](#) the EU's 2004 enlargement.

However, Russia became increasingly resentful of what it saw as Western encroachment into a region where it had historically founded '[privileged interests](#)'. As NATO continued expanding eastwards, and membership for Georgia and Ukraine became a real prospect, the tone became harsher, and Russia's actions more aggressive. In 2008, Russia launched an attack on Georgia, on the pretext of defending pro-Russian separatists. Three years later, then-president Dmitry Medvedev [acknowledged](#) that the war had put Tbilisi's accession process on hold, implying that this had been its real purpose all along. Russia's 2016 [Foreign Policy Concept](#) suggests that it sees 'the Alliance's military infrastructure approaching Russian borders' as a major threat.

Moscow also became suspicious of the EU's efforts to step up relations with its eastern neighbours. In 2009, foreign minister [Sergey Lavrov](#) criticised the launch of the EU's Eastern Partnership with six former Soviet countries as an attempt by Brussels to extend its own sphere of influence.

EU-Russia relations break down in 2014 over Ukraine

Building on the Eastern Partnership, by 2013 the EU had negotiated association agreements envisaging far-reaching political and economic cooperation with Ukraine, Georgia, Moldova and Armenia. Under pressure from Moscow, Armenia and Ukraine decided not to sign their agreements.

In Ukraine, the resulting protests toppled the president, Viktor Yanukovich, who fled to Russia. His successor, the pro-western Petro Poroshenko, eventually signed the association agreement in June 2014. Russia retaliated by annexing Crimea in March 2014, and fomenting separatist uprisings in the eastern Ukrainian regions of Donetsk and Luhansk. Over the next six years, fighting in these two territories killed [over 13 000](#) and displaced millions more.

In 2008, the Russo-Georgian war had resulted in no more than a [temporary cooling](#) of relations. However, this time, there was to be no quick return to business as usual. The EU was outraged at Russia's violations of Ukrainian sovereignty and territorial integrity, principles that Russia itself had affirmed, by signing documents such as the [United Nations \(UN\) Charter](#), the [Helsinki Final Act](#) and the [1994 Budapest Memorandum](#) on Ukraine. Accordingly the EU, together with partners such as the United States, adopted a series of sanctions, to which Russia retaliated with counter-sanctions; these have remained in place ever since.

In addition to Ukraine, there have been many other obstacles to improved EU-Russia relations since 2014. These include Russia's military intervention in Syria; the attempted poisoning in 2018 by Kremlin agents of former Russian spy Sergey Skripal; and Russian 'active measures' including a barrage of [disinformation](#) and hacking attacks intended to influence and destabilise EU countries.

The five guiding principles of the EU's Russia policy

To provide clarity for EU-Russia relations in this new context of heightened tensions, on 14 March 2016, EU foreign ministers and HR/VP Federica Mogherini [agreed](#) on guidelines for the EU's policy towards Russia. These were [confirmed](#) in March 2020 by Mogherini's successor Josep Borrell. The five principles adopted in 2016 are as follows:

1. insisting on **full implementation of the Minsk Agreements** as an essential condition for any substantial change in EU-Russia relations; non-recognition of Russia's annexation of Crimea;
2. **strengthening relations with the former Soviet republics** in the EU's eastern neighbourhood (including Ukraine) and central Asia;
3. becoming **more resilient to Russian threats** such as energy security, hybrid threats, and disinformation;
4. despite tensions, **engaging selectively with Russia on a range of foreign-policy issues**, among them cooperation on the Middle East, counter-terrorism and climate change;
5. supporting Russian civil society and promoting **people-to-people contacts**.

Full implementation of the Minsk Agreements

The Minsk Agreements and Russia's role in eastern Ukraine

The two [Minsk Agreements](#) of September 2014 and February 2015, both of which were signed by Russia, were intended to end fighting in eastern Ukraine and to enable a political settlement for the region. Since that time, none of the 13 key points of the Minsk II agreement has been fully implemented. Fighting continues, and there is still no answer to the tricky question of how Donetsk and Luhansk could be re-integrated into Ukraine. Russia has not formally annexed the two territories, does not recognise them as independent states, and insists that it is not a party to the

conflict in eastern Ukraine. However, it provides the rebels with [financial](#) and military support, and has considerable [influence](#) over them.

Ukraine-related EU sanctions and Russian counter-sanctions

In view of the need to secure Russian cooperation on ending the Donbass conflict, the first of the five principles confirms the March 2015 European Council [position](#) that economic sanctions against Russia can only be lifted once the Minsk agreements have been fully implemented. These [sanctions](#), adopted by the EU in 2014, are as follows:

- individual sanctions: visa bans/asset freezes on some [150 persons](#) and 40 organisations;
- sanctions against Crimea: a near-total ban on EU-Crimean trade and investment;
- economic sanctions, targeted at Russia's financial, defence and energy sectors.

In parallel with economic sanctions, the EU cut off most of its political cooperation with Russia. It has suspended EU-Russia summits indefinitely, together with negotiations on a new partnership and cooperation agreement. Most of the dialogues (on human rights, energy, etc.) have come to a standstill, although some limited technical-level cooperation continues, for example on regulatory issues. The G8 group, whose EU members are Germany, France and Italy, in addition to the EU itself, has excluded Russia, which joined in 1997, reverting to its previous G7 format.

Russia has responded with counter-sanctions, banning around half of its agri-food imports from the EU, such as fruit, vegetables, meat and dairy.

EU economic sanctions, which are renewed twice a year in January and July, have hit Russia hard: according to a 2018 [study](#), by late 2018 its economy was 6 % smaller than it would have been without EU and US restrictive measures.

Some opposition in EU countries to sanctions – But unity has held so far

In addition to their effect on EU-Russia relations, sanctions also have an economic cost, for the EU as well as Russia. A 2017 [study](#) estimated that the EU may have lost close to 0.2 % of its gross domestic product (GDP) and employment due to Russian counter-sanctions restricting EU agrifood exports; at the level of the European economy as a whole, this is a small impact, but certain countries and sectors are disproportionately affected. Moreover, this figure does not reflect the cost of lost opportunities, for example potentially lucrative [oil projects](#) that EU energy companies have had to pull out of. Several EU leaders, including Czech president, [Miloš Zeman](#), and Czech prime minister, [Andrej Babiš](#), Cypriot president, [Nicos Anastasiades](#), and Italian prime minister, [Giuseppe Conte](#), argue that sanctions are costly and have failed to change Russia's behaviour. In January 2018, then German foreign minister, Sigmar Gabriel, [suggested](#) that, if fighting stopped in Ukraine, some sanctions could be lifted without waiting for full implementation of Minsk. However, the leaders' countries have also consistently voted to keep sanctions in place.

In view of the coronavirus pandemic, in March 2020 Putin [called](#) for a general moratorium on sanctions; however, since then the EU has continued to extend its measures against Russia (most recently in July 2020), [arguing](#) that they do not prevent it from fighting the virus.

Closer relations between the EU and former Soviet republics

Figure 1 – Political, economic and security agreements with the EU and Russia

Eastern Partnership

Country	Agreements with the EU	Agreements with Russia
Armenia	PCA (1999) AA and DCFTA negotiated in 2013 but never signed CEPA (without DCFTA) signed November 2017, provisionally applied pending ratification	CIS (1994) CIS FTA (2012) EEU (2015) CSTO (1992)
Azerbaijan	PCA (1999)	CIS (1993) FTA with Russia (1992)
Belarus	PCA signed in 1995 but never ratified	CIS (1994) CIS FTA (2012) EEU (2015) CSTO (1992)
Georgia	PCA (1999) AA and DCFTA (signed 2014, in force since July 2016)	Left CIS after 2008 war with Russia. FTA with Russia (1994)
Moldova	PCA (1998) AA and DCFTA (signed 2014, in force since July 2016)	CIS (1994) CIS FTA (2012)
Ukraine	PCA (1998) AA and DCFTA (signed 2014, in force since September 2017)	CIS FTA (2012)

Central Asia

Country	Agreements with the EU	Agreements with Russia
Kazakhstan	PCA (1999) EPCA (signed 2015, in force since March 2020)	CIS (1994) CIS FTA (2012) EEU (2015) CSTO (1992)
Kyrgyzstan	PCA (1999) EPCA (initialled in July 2019, but not yet finalised)	CIS (1994) CIS FTA (2013) EEU (2015) CSTO (1992)
Tajikistan	PCA (2010) Tajikistan has expressed interest in an EPCA, but negotiations have not yet started	CIS (1994) CIS FTA (2015) CSTO (1992)
Turkmenistan	PCA signed in 1998, but never ratified Interim Agreement on trade and trade-related matters (2010)	CIS associate state (2005) FTA with Russia (1993)
Uzbekistan	PCA (1999) Negotiations on EPCA ongoing	CIS (1994) CIS FTA (2014) Left CSTO in 2012

PCA: partnership and cooperation agreement; CEPA: comprehensive and enhanced partnership agreement; EPCA: enhanced partnership and cooperation agreement; AA: association agreement; DCFTA: deep and comprehensive free trade area; CIS: Commonwealth of Independent States; CIS FTA: Commonwealth of Independent States Free Trade Area; EEU: Eurasian Economic Union; CSTO: Collective Security Treaty Organisation.

Source: Compiled by the author.

EU eastern neighbourhood: Torn between Russia and the EU

The second of the EU's five principles highlights that it will not be deterred by Russian aggression against Ukraine from pursuing closer relations with the former Soviet Union countries. Confirming this position, the 2016 Global Strategy emphasised the EU's determination to 'enhance the resilience of our eastern neighbours, and uphold their right to determine freely their approach towards the EU'.

The EU's closest allies in the region are **Ukraine** and **Georgia**. **Moldova** is split between the EU and Russia: it too has signed an association agreement with the EU, but it has had a pro-Russian president since 2017, and since November 2019, a minority government controlled by the pro-Russia Socialist Party, although most parliamentarians still belong to pro-EU parties. In any case, Chişinău maintains a close partnership with the EU, not least because the latter accounts for nearly [two-thirds](#) of Moldovan exports.

In 2013, **Armenia**, which is a military ally of Russia and crucially dependent on it as a trade and investment partner, [announced](#) that it was joining the Russia-led Eurasian Economic Union (EEU) instead of signing an association agreement with the EU. Despite choosing Moscow as its main partner, Yerevan has since negotiated a comprehensive and enhanced partnership agreement (CEPA) with Brussels. Unlike the association agreement, the CEPA does not include a free trade component, and is therefore compatible with Armenia's membership of the EEU's customs union.

Belarus is Russia's closest ally in the region. Since 2019 Russia has been [threatening](#) to raise the price at which it sells oil to Minsk – a blow to the Belarussian economy, which depends on refining and re-exporting cheap Russian crude oil at a profit. This looks like an attempt to [influence](#) the two countries' talks on economic and political integration, as envisaged by the Russia-Belarus Union State Treaty, which was signed in 1999 but never fully implemented. The threat of what Belarus sees as a [forced merger](#) has encouraged some cautious steps to [improve](#) its relations with the EU. Finally, despite trade and investment links with both the EU and Russia, Azerbaijan has kept its [distance](#) from the two sides.

In Central Asia, the EU still comes in second place

Central Asia is another post-Soviet region where both EU and Russian influence are strong. **Kazakhstan** and **Kyrgyzstan** are members of Russia's Eurasian Economic Union, **Tajikistan** is also economically dependent on Russia; all three countries are military allies of Moscow. The EU's presence is mostly economic; for example, it is by far Kazakhstan's biggest trade and investment partner. Brussels is also seeking to upgrade its political relations with the region: it has signed partnership and cooperation agreements with all five central Asian countries (though owing to the European Parliament's human rights concerns, the agreement with **Turkmenistan** has not yet been ratified). In 2015, Kazakhstan signed a revised and upgraded agreement, and Kyrgyzstan and **Uzbekistan** are set to follow. The EU's 2019 [Strategy for Central Asia](#), which replaces an earlier version from 2007, reflects its desire for closer engagement in the region.

Russia is more tolerant of the EU's presence in Central Asia than in eastern Europe. The sensitive issue of NATO enlargement is not relevant here: all the countries of the region are either Russian military allies or firmly non-aligned. Despite friendly ties with all five Central Asian states, the EU seems unlikely to develop the same close ties as it has with some of the countries in its own neighbourhood. Geographical remoteness, cultural differences and authoritarian regimes (only Kyrgyzstan is at least partially democratic) are some of the main barriers to a closer relationship. The EU lags behind Russia and, increasingly, China as a partner for the region.

Improving the EU's resilience to Russian threats

Deterring Russian military aggression

Armed aggression in Ukraine is a reminder of the threat posed by Russia's newly [revamped](#) military. [War games](#) carried out in 2015 suggested that, though heavily outnumbered by NATO forces in Europe as a whole, it could overrun the Baltic States in just a few days. Russia has stationed short-range [Iskander missiles](#) in its Kaliningrad exclave; these are capable of delivering nuclear warheads to Poland and eastern Germany, and the 2019 demise of the Intermediate-Range Nuclear Forces Treaty means that it could potentially deploy missiles targeting the rest of Europe. Russian aircraft have repeatedly [violated](#) NATO airspace, and there have been several dangerously close encounters between Russian and NATO planes and warships in the Black and Baltic Seas. According to [NATO](#), Russia's 2017 ZAPAD military drill in western Russia may have involved as many as 70 000 troops and looked like a rehearsal for a major European war.

Responding to these threats, since 2017 NATO has [4 500 troops](#) stationed on a rotational basis in Poland and the Baltic states. In 2015, Lithuania re-introduced compulsory military service; it and all three Baltic states have substantially increased their defence budgets. Finland and Sweden, both neutral countries, have [stepped up](#) cooperation with NATO.

Hybrid threats to EU countries

As well as its armed forces, Russia also has a formidable arsenal of non-military tools that it uses to destabilise EU countries; in the [words](#) of armed forces Chief of General Staff, Valery Gerasimov, these have 'exceeded the power of force of weapons in their effectiveness'. These include disinformation, support for pro-Kremlin political parties and NGOs, as well as cyber-attacks, all used to influence and destabilise EU countries.

Propaganda reaches EU countries through the state-funded [RT news channel](#) and [Sputnik news agency](#), both of which produce multilingual content, as well as Russian-language television channels watched by Russian speakers in Baltic countries. RT and Sputnik have [shifted](#) their emphasis from defending Russia to attacking the West, for example by playing on divisive issues such as migration and Islamic terrorism, and promoting anti-establishment conspiracy theories.

Similar narratives are propagated by a host of internet news portals, many with more or less covert [links](#) to the Russian state. The [Internet Research Agency](#), St. Petersburg's infamous 'troll factory', has several hundred employees creating fake profiles on social media such as Facebook and Twitter, many of them purporting to come from Western countries. Although it is not an official Russian state body, Putin ally Yevgeny Prigozhin, a businessman, is suspected of financing it.

While the impact of such activity on European public opinion cannot be reliably measured, in April 2020 a European External Action Service [report](#) concluded that coronavirus-related disinformation, much of it from Russia, and aimed at spreading confusion while discrediting the EU's response to the crisis, had reached millions of European social media users.

The US presidential [election](#) of 2016 was only one of several attempts to interfere in Western democratic processes. There is [evidence](#) that Russia also targeted the 2017 French presidential election, and pro-Kremlin trolls were also active during the United Kingdom's 2016 EU [referendum](#) and Catalonia's 2017 independence [vote](#).

Russian cyber-attacks and the EU

In 2015, US intelligence agencies [identified](#) Russia as the world's leading source of cyber-threats. In 2007, Estonian banks and government departments were [crippled](#) by cyber-attacks originating from Russia. According to the [CIA](#), the devastating NotPetya virus which brought down computers across the world in 2017 was unleashed by Russian military intelligence. Russian operatives are suspected of having hacked into Emmanuel Macron's 2017 presidential campaign in 2017; they have also [targeted](#) the German parliament and political parties. Since 2018, the EU has had the [power](#) to adopt sanctions against individuals and organisations responsible for malicious cyber activities, although it has not actually done so yet.

As part of its efforts to build political influence and polarise debate, Moscow cultivates ties with populist, mostly far-right, pro-Russia parties in the EU. Ahead of the 2017 French presidential election, Putin invited French *Rassemblement National* leader Marine Le Pen to meet him in person. One year later, he [dined](#) with then foreign minister Karin Kneissl, from the Austrian Freedom Party, at her wedding.

EU countries have taken numerous [measures](#) to counter Russian and other foreign disinformation. Several countries now include [media literacy](#) training in school curricula, and regulators have [clamped down](#) on pro-Kremlin outlets such as RT for failing to comply with media standards. At European level, in 2015 the EU set up an [East StratCom Task Force](#), which publishes a weekly [Disinformation Review](#) identifying and debunking disinformation from pro-Kremlin sources. The Task Force also helps build resilience to Russian disinformation in Eastern Partnership countries, for example by training journalists and producing Russian-language materials explaining EU policies to audiences from the region.

In 2018, the EU adopted a disinformation [Action Plan](#) and [Code of Practice](#). The latter has been signed by several social media companies, which have committed to closing fake profiles and making it easier for users to see who pays for online political adverts.

EU dependence on Russian energy imports

Another area of vulnerability is [energy security](#), given that Russia is the EU's main supplier of oil and gas. Indeed, in several EU countries (such as the Baltic states), a third or more of total energy consumption comes from Russian gas. A large share of this is delivered via pipelines crossing Ukraine, a country whose relations with Moscow are even more problematic than the EU's, raising the possibility that Europe's gas supplies could be held hostage to geopolitical tensions.

The dangers of over-reliance on Russian energy were already highlighted in 2009, when gas supplies to several EU countries were briefly interrupted as a result of long-standing disputes between Moscow and Kyiv. Although the EU now imports more oil and gas from Russia than it did back then, it has taken important measures to mitigate the risks, for example by building new energy infrastructure such as interconnecting pipelines enabling EU Member States to share gas, terminals for imports of liquefied natural gas (LNG) from suppliers such as the United States and Qatar, and storage facilities to keep gas in reserve.

Nevertheless, the controversy over the new [Nord Stream 2](#) pipeline, which will link Germany directly to Russia without having to transit Ukraine, has highlighted the leverage that Russia still has as Europe's main energy supplier. The pipeline has put its supporters, which include the countries most likely to benefit such as Germany and Austria, at loggerheads with opponents such as Poland and the Baltic states. It has also created tensions with the US, which in December 2020 adopted sanctions against companies involved in its construction, a move 'emphatically [rejected](#)' by the European Commission. If it is eventually completed, Nord Stream 2 will increase Russia's pipeline capacity to Europe by nearly one-quarter, potentially giving it even greater dominance over European gas markets. Another worrying impact is that it will probably mean less Russian gas transiting Ukraine – a blow to Kyiv's faltering economy, which in 2017 earned [US\\$3 billion](#) in gas transit fees.

With or without Nord Stream 2, dependence on Russian gas is [not likely](#) to end any time soon: EU demand for gas, as a cheap and relatively clean fuel, is rising, domestic EU gas production (for example, in the Netherlands) is in steep decline, LNG is expensive, and alternative suppliers such as Norway and Azerbaijan do not have the capacity to replace Russia.

Selective engagement on foreign-policy issues

Despite the current EU-Russia confrontation over Ukraine, there are still many areas where the two sides have common interests and concerns. As a permanent member of the United Nations Security Council and an increasingly influential player in the [Middle East](#), Russia has a key part to play in helping to tackle global challenges.

For example, Russia played a [constructive](#) role in negotiations with Iran, and like the EU, it continues to [support](#) the resulting nuclear deal, despite the US withdrawal. Both the EU and Russia [advocate](#) a two-state solution to the Israeli-Palestinian conflict, and are signatories of the Paris Agreement on climate change. After downplaying the threat of global warming for several years, in January 2020 Russia finally adopted its first ever climate change action [plan](#).

Islamic terrorism is an area where the EU and Russia have shared vulnerabilities. Russia has a large Muslim population, thousands of its nationals have joined ISIL/Da'esh, and jihadist attacks such as the October 2015 [downing](#) of a passenger plane in Egypt have claimed hundreds of Russian lives. In 2015, Putin [proposed](#) 'a broad international coalition against terrorism' to the United Nations, and justified his support for the Assad regime by the need to contain jihadism.

However, Russia's military intervention in Syria has driven the EU and Russia even further apart. EU leaders [denounced](#) the humanitarian disaster caused by airstrikes on Aleppo, and rejected the idea of a military solution to the conflict. Whereas Russia seems determined to keep Assad in power regardless of the human costs, the EU [insists](#) that there can be no lasting peace under his regime. EU HR/VP Josep Borrell has also [cautioned](#) against the risk of Russian domination in Libya, where Moscow plays a murky and potentially [destabilising](#) role that allegedly involves a large contingent of [mercenaries](#).

Although still relatively modest, Russia's presence in [sub-Saharan Africa](#) also raises concerns. Traditionally its main interests there have been arms sales, as well as oil, gas and minerals. There are signs that Russia is also building up its political influence through the same kind of covert operations that it uses in other parts of the world. Private military companies with links to Yevgeny Prigozhin (already mentioned as the likely operator of Russia's 'troll factory') have sent hundreds of mercenaries to countries such as the Central African Republic. Prigozhin-controlled companies are also [suspected](#) of sending 'political strategists' to Madagascar and South Africa, where they tried to drum up support for pro-Russian candidates in elections. As in Soviet times, Russia often plays on lingering African [resentment](#) towards former colonial powers such as France.

Supporting EU-Russia people-to-people contacts

As EU-Russia diplomatic relations become more difficult, it becomes all the more vital to keep other channels of communication open. Although the EU decided in 2014 to cut off most of its cooperation with Russia as part of its response to the Ukraine crisis, it continues to engage in four main areas: [higher education](#), [scientific research](#), [cross-border cooperation](#), and support for civil society. These are considered of particular importance in reaching out to Russian society as a whole, thus helping to lay the foundations for improved relations once the current political tensions ease.

Cooperation on higher education reflects HR/VP Mogherini's 2016 [call](#) to invest in the future by focusing on the young people of EU countries and Russia. 2018 was a record year for Erasmus+ exchanges, with over 2 500 Russian university students and teachers coming to EU universities, and 1 500 of their EU peers travelling to Russia. The EU has also increased its funding for other types of educational cooperation, such as Jean Monnet grants for Russian universities teaching EU studies.

In most of these areas, the Russian authorities welcome EU cooperation. For example, in 2014-2020 they contributed €87 million of their own financing to EU cross-border projects, bringing together Russians living near EU borders with their counterparts from Finland, Poland and the Baltic states.

On the other hand, Russia is more suspicious of foreign support for NGOs. Under legislation adopted in 2012, 'political' organisations receiving funds from abroad are defined as '[foreign agents](#)', a status which exposes them to legal harassment and makes it difficult to operate in practice. To avoid the stigma of this label, many have chosen to rely on scarce domestic funding instead of foreign sources, or to close down altogether. A second law adopted in 2015 bans '[undesirable international organisations](#)' such as Mikhail Khodorkovsky's [Open Russia](#). In this context, EU financial support for Russia's increasingly isolated NGOs is difficult; in 2018, only [four](#) of them received EU grants from the European Instrument for Democracy and Human Rights. The EU

also finances an [EU-Russia Civil Society Forum](#), which holds regular meetings between Russian civil-society organisations and their EU counterparts. At the same time, it provides behind-the-scenes [support](#) such as legal assistance and emergency visas for human rights defenders facing harassment from the authorities.

What next for EU-Russia relations?

Calls for re-engagement on both sides – But also scepticism

One of the main advocates of re-engagement is French President [Emmanuel Macron](#). For him, Europe needs strategic autonomy from the United States, which he sees as increasingly unreliable, and NATO, which he described in 2019 as '[brain dead](#)'. This can only be done in partnership with Russia.

Such statements have met with widespread scepticism and [accusations](#) of selling out to Moscow. For critics, Macron's vision does not explain how the EU will bridge seemingly irreconcilable differences with Russia without betraying allies such as Ukraine and Georgia. Macron himself has acknowledged that there can be no early end to sanctions, and that re-building the relationship will take many years.

Russia also has good reason to wish for a '[new beginning](#)'. Since 2014, it has made efforts to re-orient economic cooperation towards Asia – for example, China's [share](#) of Russian foreign trade rose from 11 % to 16 % between 2014 and 2019, a trend that the new Power of Siberia [pipeline](#) to China launched in December 2019 will only consolidate. However, the EU is still by far Moscow's biggest trade and investment partner (in 2019, accounting for 42 % of Russian exports). [Hard hit](#) by the coronavirus crisis, Russia's economy is more in need than ever of the stimulus that a relaxation of sanctions could provide.

Russian public opinion seems to be increasingly open towards better relations with the EU. Levada Centre [surveys](#) show that the share of respondents with positive opinions about the EU, which until 2014 had been mostly in the range of 60-70 %, plunged below 20 % following the clash over Ukraine. However, in 2019 this trend started to reverse, and in November approval of the EU reached 52 %, its highest level in over five years. Admittedly, these positive sentiments are not reciprocated in EU public opinion: in a 2019 Pew Research Center [poll](#), Bulgaria, Slovakia and Greece were the only EU countries where a majority held favourable views of Russia.

Tentative signs of progress on Ukraine since 2019

The situation in Ukraine is still the main obstacle to better EU-Russia relations. Relations between Kyiv and Moscow did not get off to a good start after Volodymyr Zelenskiy became Ukraine's new president in April 2019; two months later, in a move sharply criticised by Kyiv and [Brussels](#), Putin [opened](#) the door to fast-track Russian citizenship for Ukrainians living in separatist territories. However, soon afterwards came the first signs of a thaw between the two countries. In September and December, over two hundred prisoners, including 2018 Sakharov laureate and filmmaker Oleg Sentsov and 24 sailors from the Ukrainian navy detained by Russia off the coast of Crimea one year earlier, were [released](#) in two prisoner swaps. An EU-mediated gas transit agreement [announced](#) in December, under which Russia agreed to continue using Ukrainian gas pipelines for at least five more years, was another sign of easing tensions. Meanwhile, [opinion polls](#) carried out in both countries showed improving public sentiment between Ukrainians and Russians.

These developments raised hopes of progress on long-stalled implementation of the Minsk Agreements on eastern Ukraine. Between July and November 2019, the Ukrainian government and separatists [pulled back](#) troops from three sections of the front line. In August, Macron announced his plan to hold the first 'Normandy format' summit (between the leaders of Russia, Ukraine, France and Germany) in three years.

A tricky issue that negotiations on the Donbass will need to address is the future political status of the separatist territories. The Minsk II [Agreement](#) of February 2015 envisages that they will be re-integrated into Ukraine, with a special autonomous status and leaders chosen in elections that meet international standards. However, the two sides disagree on how this should be done. For Kyiv, the immediate priority is to regain control over the Donbass, while for separatists and their Russian backers, the issue of their future status should be resolved first. The '[Steinmeier Formula](#)', put forward by former German foreign minister Frank-Walter Steinmeier in 2016, seemed to offer a way out of the impasse: it envisages Donetsk and Luhansk holding local elections, once Ukraine has adopted legislation defining their autonomous status. Provided that these elections comply with Ukrainian law and OSCE standards, they will be recognised by Kyiv, and the law on special status will come into effect. The implication is that the political future of the territories will be settled even before they are fully brought under Ukrainian government control. In October 2019, Zelenskiy announced his acceptance of this arrangement.

The December 2019 summit fails to deliver results

However, it soon became clear that reaching a deal would not be easy. Zelenskiy has stated that he will only agree to local elections in the Donbass if foreign troops have gone and Ukraine controls its borders; however, separatists and Russia itself have never shown any willingness to comply with the latter demand. Mass [protests](#) in Kyiv following Zelenskiy's announcement on the Steinmeier Formula also reflected widespread resistance to the idea of a special status for Donetsk and Luhansk, which for many Ukrainians would compromise the country's sovereignty.

Against this backdrop, the 10 December 2019 Normandy format summit between Putin, Zelenskiy (the first face-to-face meeting between the two presidents), Macron and Merkel [failed](#) to deliver a breakthrough. The two sides agreed on a complete ceasefire and an exchange of all remaining prisoners by the end of the year. However, fighting continues (according to the OSCE's special monitoring mission, there were [60 000](#) ceasefire violations during the first three months of 2020), negotiations on the prisoner exchange are still ongoing, and a March 2020 deadline to agree on disengagement of troops along three more sections of the front line has also been missed. Both sides agree on the Steinmeier Formula as the way forward, but have divergent visions of the conditions for local elections in the separatist territories and their future political status, with Ukraine firmly rejecting Russia's idea of federalisation. After the summit, Angela Merkel declared that the peace process had at least regained momentum, but so far the participants have not even been able to agree on the date of the next meeting.

Putin's February 2020 [decision](#) to appoint Dmitry Kozak instead of Vladislav Surkov as chief negotiator on Ukraine is possibly a hopeful sign of a more conciliatory approach. In 2014, [Surkov](#) was seen as one of the main architects of the Novorossiya project which envisaged annexation of large areas of eastern Ukraine.

With Minsk at a standstill, EU-Russia relations remain deadlocked

In the absence of significant progress on Ukraine, EU leaders [agreed](#) in June 2020 to extend economic sanctions for six more months, until January 2021. For its part, Russia [deplores](#) the EU's continued adherence to its five principles of 2016, and insists that relations can only be improved if the EU and NATO change their policies. With no signs of meaningful concessions from Moscow, the six-year deadlock between the two sides looks set to continue.

Position of the European Parliament

In line with EU sanctions against Russia, the European Parliament has stopped participating in the EU-Russia Parliamentary Cooperation Committee (PCC) with the Russian Federal Assembly. For the time being, there are no plans to re-convene the PCC, but informal contacts between Members of the European Parliament (MEPs) and Russian parliamentarians [continue](#); for example, in November 2017 a group of MEPs [met](#) with Russian counterparts on the sidelines of the Northern Dimension Parliamentary Forum in Brussels.

Echoing the European Parliament's [previous position](#) of 2015, the [resolution](#) of March 2019 on EU-Russia relations argues that 'Russia can no longer be considered a strategic partner'. Parliament notes the clash between 'Russia's polycentric vision of the concert of powers' and 'the EU's belief in multilateralism and a rules-based international order'. Parliament supports the EU's five principles as the basis for relations with Russia. Following Moscow's violation of international law, there can be no return to business as usual until it fully implements the Minsk agreements and restores Ukrainian territory. Parliament notes that apart from Ukraine, there are many other areas where Russia's actions have strained relations. These include its intervention in Syria and interference in other countries such as Libya and the Central African Republic; attempts to destabilise EU countries and influence elections and referenda; and violations of human rights in Russia itself, including crackdowns on civil society and the media. Parliament is of the view that the EU should be ready to adopt further sanctions against Russia if its violations of international law continue.

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