

CONCLUSION

From 'Eastern' to 'Partnership'

by

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The previous chapters have vividly demonstrated how the EaP has impacted the EU's neighbouring states in many – sometimes not quite anticipated – ways. A significantly denser multi-level network of bilateral and multilateral relations has been created between the EaP states and the EU in the ten years of the framework. In the past decade, the EU has gradually expanded its economic, diplomatic and security presence in the eastern neighbourhood. A bigger foothold and a wider involvement have helped contribute to a more nuanced understanding of the region and of the complex dynamics at play in each of the countries. The EU is now better positioned to engage with these states in a more effective manner.

The same applies for the EaP states in their relations with the EU. The institutional structures and governance cultures in the EaP region are very different compared to the corridors of policymaking in Brussels. Correspondingly, almost all the chapters in this volume have highlighted the learning aspect of EU-EaP engagement; after having interacted with the EU over the past decade, EaP state officials have by now figured out how the legalistic multilevel governance of the EU functions.¹ Although mutual misinterpretations of intentions or actions do still occur, the ability to read and understand

each other's logic and intentions has increased significantly over the years.

In order to improve relations even further in the future, there is an increased need to move away from seeing the EaP states as 'target states'. Over the years, many of them have grown into true partners who can contribute significantly to the common agenda and to cooperation. In other words, in the coming decade the emphasis needs to shift from the word 'Eastern' towards (a closer, mutually beneficial and re-enforcing) 'Partnership'.

The six previous chapters paint a picture of many tangible achievements. Trade volumes and people-to-people contacts between EaP states and the EU have increased. DCFTAs are gradually producing the anticipated effects in Moldova and Ukraine and – albeit at a much slower pace – in Georgia too. The visa-liberalisation and facilitation agreements, coupled with Common Aviation Area Agreements, have triggered a positive dynamic of bringing down ticket prices and increasing passenger traffic in EaP airports. Tens of thousands of students and academics have taken part in the Erasmus+ programme. Finally, contractual relations have deepened and widened: the Association Agreement with three EaP states and

1 "Szef MSZ: Partnerstwo Wschodnie wymaga wzmocnienia. Szef MSZ Azerbejdżanu w Polsce [Head of the MFA: the Eastern Partnership needs to be strengthened. Minister of Foreign Affairs of Azerbaijan in Poland]", *Polskie Radio 24*, April 17, 2019, <https://polskieradio24.pl/5/1222/Artykul/2296453,Szef-MSZ-Partnerstwo-Wschodnie-wymaga-wzmocnienia-Szef-MSZ-Azerbejdzanu-w-Polsce>.

the Comprehensive and Enhanced Partnership Agreement (CEPA) with one other (soon two) are major achievements that will signpost the path into the next decade.

Despite all these accomplishments, the past ten years of the EaP have certainly not been all sunshine and rainbows. Many of the initial presumptions the EU had when the EaP kicked off have proved to be too simplistic and formulaic. Along the way, the EU has learned some valuable lessons, which now deserve some reflection.

LESSONS LEARNED

Complexities of transition. The EaP was initially based on the presumption of a relatively frictionless gradual transformation and a steady increase of prosperity, democracy and stability in the eastern neighbourhood. When reality did not always match this schematic presumption, a mixture of fatigue and puzzlement settled in. In the intervening years, the complex reality has not changed, but the EU has

gradually come to terms with the non-linearity of political and economic reforms in the eastern neighbourhood. For the next decade of the EaP, the EU will need a big dose of strategic patience – and strategic thinking – about how best to promote transformations in the EaP states as well as the necessary funds to back up its policy. This will require greater agility and flexibility in the way the EU operates in the region and how it allocates funds. In the end, fatigue and inaction are likely to be more costly for the EU than pursuing a more proactive, forward-looking and resolute policy in Europe's east.

No more frontrunners. In the ten years that the EaP has been in existence, the EU has been quick to brand countries embracing political

change and promising reforms as 'frontrunners' and 'success stories'. As has been vividly described in the previous chapters, however, the impulse to confer poster child status on some EaP states proved to be premature and unhelpful in practically all of the cases. When conditionality was not applied in a systematic manner, the performance of the frontrunners stalled quickly. Moreover, the status indirectly legitimised the elite as 'pro-European reformers', despite their regularly non-transparent practices and in so doing did a disservice to societies demanding meaningful change – and to the EU's image in the neighbourhood. In the next decade, the focus needs to be on sustained performance in pursuing reforms and implementing them in practice. Sustainability of reforms is the ultimate benchmark measuring success.

Need for insider partners. Over the last decade, the EU's approach has been mostly a top-down one relying on governmental cooperation with the EaP states. This has not always worked, because the governing elites have often been an obstacle rather than an enabler for meaningful change. The lesson that the EU has learned along the way is that a

key strategic partner in the monitoring of the implementation of reforms is civil society. At a later stage, the EU discovered that civil society can also be a rich source of innovative ideas on how to think more creatively about conditionality and how to make it work.² In addition, sometimes the 'revolving door' of politics has brought yesterday's activists into parliament, or even into government, making cooperation with the new authorities smoother and more effective. The bottom line is that the EaP states' governments should never be the sole channel of communication and engagement.

Comprehensive and resolute. As the previous chapters reveal, a greater presence does not automatically translate into greater influence.

2 Author's interview with EU official, Kyiv, 2018.

The past ten years have shown that policies that are comprehensive and tailored to the specific circumstances of each country work better than a technical and hands-off approach to reforms, applied in a uniform manner to all EaP states. Reforms are always politically conditioned, hence they should not be treated as a technical exercise. To gain influence and traction, a combination of incentives and strict conditionality is needed, applied regardless of short-term disadvantages and costs. This approach would also enhance the reputation of the EU – and increase respect for its institutions and values – in these rapidly emancipating societies (who expect a more vigorous policy from Europe) and among the progressive parts of the elites.

Corruption is also a security issue. Networks of corruption, prevalent in many of the EaP states, hinder economic development, reduce societal trust and undermine political stability. However, the dramatic events that have taken place in the eastern neighbourhood in recent years have revealed that corruption is also a significant security issue. Corruption enables and stimulates hybrid threats: this then leads to politicians being eager to trade political influence in exchange for material benefits, law-enforcement bodies being unwilling to address outside interference, armies being poorly prepared to deflect camouflaged attacks, banking authorities allowing money to be laundered, and the list goes on. The way corruption is both perceived and combated needs to change. The fight against corruption is part and parcel of a comprehensive security approach that prioritises the strengthening of resilience. The punitive dimension of fighting corruption (arrest and sentencing) shall go hand in hand

with innovative preventive strategies. As the example of ProZorro in Ukraine demonstrates, digital solutions offer effective preventive mechanisms that reduce the space for corruption. There is a significant need and demand for the EU to take a more active role in fighting corruption. In the past three years, citizens of EaP states have witnessed that the EU's support in tackling corruption is the least effective area of assistance. At the same time, the fight against corruption is among the top three issues where they think the EU is needed.³

East meets south. Until recently, the southern and the eastern neighbourhood were seen as two separate and disconnected areas. However, there are growing linkages – both benign and malign – between the southern and eastern neighbourhood. Russia's annexation of Crimea and the upgrade of its military base in Sevastopol enabled Moscow's intervention in Syria. The war in Donbas has generated a pool of fighters who Russia later re-deployed to Syria as mercenaries via illegal private military companies.⁴ The war in Syria displaced around 22,000 Syrian-Armenians to Armenia.⁵ The disruption of technical military ties between Russia and Ukraine has created new opportunities for co-operation in this field between the Gulf States and Ukraine.⁶ Russia's heavy-handed policy towards Moldova and Ukraine has forced local agro-holdings to look for export opportunities in the Middle East.⁷ The economic impact of Russia's war against Georgia has pushed Tbilisi to attract new investments from rich Gulf States. In other words, what happens in the east may spill over to the south and vice versa. This highlights the fact that the EU needs a 360-angle view and an integrated strategy

3 EU Neighbours – East, “OPEN Neighbourhood — Communicating for a Stronger Partnership: Connecting with Citizens across the Eastern Neighbourhood”, June 2018, https://www.euneighbours.eu/sites/default/files/publications/2018-07/EU%20NEIGHBOURS%20east_AnnualSurvey2018report_EaPOverview.pdf.

4 “Cossack Fighter Laments Russian ‘Utilization’ Of Mercenaries In Syria”, *RFERL*, February 22, 2018, <https://www.rferl.org/a/syria-russian-mercenaries-cossack-shabayev-interview/29056934.html>.

5 “Syrian-Armenians in Armenia: Problems and Prospects”, *OSF Armenia*, 2016, <http://www.osf.am/wp-content/uploads/2017/11/Syrian-Armenians-in-Armenia.-Repatriates-or-Refugees-policy-brief.pdf>.

6 “Antonov, Saudi Taqnia Aeronautics Agree On AN-132 Aircraft Production Work-Share”, *Defense World*, March 6, 2018, http://www.defenseworld.net/news/22079/Antonov_Saudi_Taqnia_Aeronautics_Agree_on_AN_132_Aircraft_Production_Work_share.

7 “Moldova va creste exporturile de fructe catre Orientul Mijlociu [Moldova will increase exports of fruits to the Middle East]”, *Noi.md*, March 20, 2019, <https://noi.md/economie/moldova-va-creste-exporturile-de-fructe-catre-orientul-mijlociu>; “Ukraina pobila record eksporta yablok v strani Blizhnego Vostoka” [Ukraine has broken the record of apple exports to the countries of the Middle East], *Agro News*, November 22, 2018, <https://agronews.ua/ru/node/103534>.

to deal with the challenges from the east and south. It should also attempt to amplify positive linkages between EaP states and the MENA region. The added value of this approach is the EU's greater coherence and increased solidarity on foreign and security issues.

The Russia factor. Another lesson learned the hard way is that policies towards the EaP region cannot be conducted as if Russia did not exist, and vice versa. During the early years of the EaP, there was an attempt to insulate EU-Russia relations from EU-EaP relations and to compartmentalise different policy areas. In practice, this led to policies towards the eastern neighbourhood that omitted the potential impact of Russia's role and goals in the region. In an attempt to avoid criticism from Russia's side, the EU played down security issues in its policies and concentrated on more 'neutral' areas, such as trade and people-to-people contacts. Both attempts backfired: EU-Russia political relations are at an all-time low; and at the present point in time some eastern partners are in a more vulnerable position than before. This lesson is now inscribed in the five principles guiding EU-Russia relations, of which two in fact deal more with the eastern neighbours than with Russia.⁸ The EU Global Strategy also underscores this kind of comprehensive regional approach and highlights the importance of neighbours' resilience for the EU's own security. In the coming decade, this principle needs to be consistently translated into concrete policies.

TRANSLATING LESSONS INTO ACTIONS

The lessons learned need to be followed by practical adjustments. The EaP for the next decade has to reflect these lessons and the

changes that have occurred in EaP states and in the wider region. The key findings below point towards some possible ways forward, but it is by no means an exhaustive list.

Smart differentiation. Some differentiation between the EaP states has already happened, as some of them signed the Association Agreement, some did not; some enjoy visa-free travel, some are yet to sign facilitation agreements; some declared their ambition to one day become members of the EU, while some became members of the Eurasian Economic Union (EAEU). As the previous chapters make clear, all of the EaP states want more differentiation in the future and the EU could provide this without eroding the existing common formats. Greater differentiation for associated members could take the form of enhanced sectoral cooperation. Associated members could join some EU programmes and agencies as well as take steps to engage more closely with and later become part of the EU energy and banking market. In the case of non-associated members of the EaP, differentiation could mean greater support for the diversification of the resource-based economy in Azerbaijan, the reduction of high levels of industrial energy consumption in Belarus and economic development in Armenia. Simultaneously, the EU could encourage and assist Azerbaijan and Belarus on their way to WTO membership, which could further spur bilateral trade relations.

Foster the environment for reforms. Sustainability of reforms can be achieved if all the major stakeholders in a society row in the same direction. The EU can contribute to this process by diversifying its engagement and financial support in the region. Civil societies have been great allies and a source of innovative ideas on how best to promote reforms in these states. However, there are partners in reform beyond the civil society sector. The EU needs to further diversify its engagements and reach out to the constituencies that are prone to support EU integration (e.g., business communities, youth, diasporas) and, most importantly, to those who

8 Foreign Affairs Council, March 14, 2016, <https://www.consilium.europa.eu/en/meetings/fac/2016/03/14/>

might initially be hesitant about it (e.g., the church, national minorities). This greater diversification could be followed by a wider distribution of financial support. One can also consider 'smart conditionality', i.e. the re-direction of more funds to the stakeholders mentioned above, when and if the government fails to deliver reforms. Moldova is a case where the EU has already experimented with this approach. This greater diversification should be combined with new incentives that would directly benefit the 'ordinary people' – the majority of people who do not belong to a small, well-to-do urban minority. Similarly, the EU may also consider more thoroughly the social impact of its policies in the east. If reforms create clear winners and losers, even economic growth does not necessarily make the region more stable or the citizens more content.

Growth needs infrastructure.

While trade with the EU is growing, the regional infrastructure is barely able to sustain this. Infrastructure is often the bottleneck to progress. More than two decades after the collapse of the Soviet Union, energy and/or transportation infrastructure is often still orientated towards Russia. The prevailing infrastructure was never designed for intensive trade exchanges with countries in Western Europe. Developing the EaP states' infrastructure and plugging it into that of the EU – which is often their biggest trading partner – is the task for the next decade.

The world is here. EaP states are neither Russia's exclusive turf, nor located only in the EU's immediate neighbourhood. Third powers such as China, Turkey and the Gulf States have raised their diplomatic and economic profile significantly in the EaP states in recent years. This in turn has ramifications for the EaP and the EU's transformative power in the region. The agenda for EaP in the next decade should factor in not only the Russian role, but the growing polycentrism in the neighbourhood. Sometimes the values and working methods of other third states do not match those espoused by the

EU. Sometimes, however, the EU's agenda and third powers' interests might overlap and there could be scope for coordination and cooperation in the neighbourhood. For example, both Turkey and the EU are committed to support Gagauz autonomy inside Moldova. And more generally, growing trade exchanges with third powers improve the economic resilience of EaP states, which is one of the EU's objectives too. There could also be possibilities to build stronger partnerships or to deepen existing partnerships with like-minded powers (e.g., Japan, Canada, the US) and financial institutions too (World Bank, IMF, EBRD). Such partnerships with like-minded players could be used to improve the coordination of development aid, infrastructure projects, support for reforms, and diplomatic signalling against democratic backsliding. The activity of ambassadors in the G7 format in Ukraine set a good example which could be replicated in other EaP states.

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Security interdependence. It is often assumed that security cooperation serves only neighbours. Ten years ago, it was common to assume that Russia's coercive tools were only targeted towards the eastern neighbours. However, what happened in the 'east' was later repeated in the 'west' as well: disinformation campaigns, cyberattacks, funding of political parties and groups from

obscure sources, trolling – and even in extreme cases politically motivated assassinations. The EU is not insulated from hybrid tactics and there are many things that the EU states can still learn from their eastern neighbours. Hybrid security challenges are issues where the EU and EaP states can work together as partners. Enhanced cooperation in cybersecurity and in the fight against money laundering could be two fields for joint multilevel in-depth cooperation. The EU's assistance to safeguard Ukraine's elections from cyber-meddling is a good start. But as EaP states grow more digitally-dependent the areas which require robust cyber defence will expand. Cooperation should be dynamic: rather than focusing on policing critical infrastructure, cyber capabilities

and procedures should ensure protection of governments' and economies' critical functions. Thus, more could be done in the coming decade. Examples of potential future cooperation could be joint cyber exercises and cyber dialogues with the three associated members. It is quite puzzling that the EU has a cyber-dialogue with Brazil but not with its eastern partners. The interlinkages between the EaP states and the EU are undeniable. For instance, the Not-Petya malware which targeted Ukraine in 2017 spread rapidly to the EU. Illegal assets from Russia traversed the EaP banking system and were laundered in banks in the EU.⁹ It is in the EU's interest to act pre-emptively, rather than to deal with these security threats *post-factum* and often at a much higher economic and security cost.

Perceptions do matter. The communication problems of the EU in the eastern neighbourhood are well-known. Lately efforts have been made to improve this but much more needs to be done in the next decade. The strategy needs an upgrade, otherwise the beneficiaries of EU funds in the neighbourhood might not even be aware that their projects have been financed by EU taxpayers' money or, worse, might believe that the support came from some other quarter. A revamped communication strategy fit for the cyber age might include several elements: adding strategic communication experts with local knowledge to the EU delegations in the East; developing and promoting a kaleidoscope of simple, accessible and attractive messages about what the EU does in the EaP and the benefits it brings for ordinary people; ensuring

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that projects outsourced for implementation to other organisations visibly indicate the EU's financial support in all promotional materials and activities; significantly scaling up cultural projects and exchanges; enhancing the EU's presence and communication via social media as more and more citizens pick up the information from digital information sources.

Communication in the neighbourhood is only one side of the coin, however. The other side is how the EU communicates the EaP programme back home. The EaP is not a charity project, but a useful, mutually beneficial partnership. For instance, the DCFTAs have granted EU exporters gradual facilitated access to a market of around 50 million people. Trade figures demonstrate that it is not only the East-

ern Partners who benefited from new framework agreements; European companies did overwhelmingly too. Visa liberalisation brings additional revenues to the EU's tourist and transportation services sectors. Implementation of the visa-free road maps has enhanced the exchange of information between law-enforcement bodies, facilitating the fight against trans-border crime and making

societies safer. Furthermore, the EU is more secure and more prosperous when these states are functioning better, and when European and local firms enjoy a better business environment. In short, as the EaP turns ten, European citizens need to hear the story of a Partnership that, although it is not problem-free, is nevertheless delivering today and has the strong potential to bring even more benefits to the EU in the coming decade.

9 "Report: Russia Laundered Millions via Danske Bank Estonia", OCCRP, <https://www.occrp.org/en/projects/28-ccwatch/cc-watch-indepth/7698-report-russia-laundered-billions-via-danske-bank-estonia>; Anne Kauranen and Johan Ahlander, "Nordea handled about \$790 million in suspicious transactions: Finnish TV", *Reuters*, March 4, 2019, <https://www.reuters.com/article/us-nordea-bnk-moneylaundering/nordea-handled-about-790-million-in-suspicious-transactions-finnish-tv-idUSKCN1QL11S>.