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Compatibility of EU – Russian Strategies and Policies in Eastern Europe and the Caucasus (2000-2016)

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“We need to create a relationship with Russia that will leave future generations a map of Europe and a European continent where life is good. That is why we need to strive for a more appropriate relationship with Russia. It is not very sexy, but that is how it must be. We cannot continue down the same path”.

Juncker. 08/10/2015.

“The Eurasian Union will be built on universal integration principles as an essential part of Greater Europe, united by shared values of freedom, democracy and market laws. (...) Soon, the Customs Union, and later the Eurasian Union, will join the dialogue with the EU. As a result, apart from bringing direct economic benefits, accession to the Eurasian Union will also help countries integrate into Europe sooner and from a stronger position. In addition, a partnership between the Eurasian Union and EU that is economically consistent and balanced will prompt changes in the geopolitical and geoeconomic setup of the continent as a whole with a guaranteed global effect. (...) For example, take the two largest associations of our continent – the European Union and the Eurasian Union, currently under construction. In building cooperation on the principles of free trade rules and compatible regulation systems, they are in a position to disseminate these principles, including through third parties and regional institutions, all the way from the Atlantic to the Pacific Oceans. They will thus create an area that will be economically harmonised, but that still remain diverse, when it comes to specific mechanisms and management solutions”.

Vladimir Putin. 4/10/2011.

List of Contents

INTRODUCTION	6
RESEARCH QUESTION AND THESIS STRUCTURE	9
LITERATURE REVIEW.....	11
PREAMBLE: EU-RUSSIA RELATIONS	14
CHAPTER 1 - EU STRATEGY	19
1.1 EU STRATEGY IN THE SHARED NEIGHBOURHOOD.....	19
1.1.1 2000 - 2008	21
1.1.1.1 Wider Europe Communication	21
1.1.1.2 European Security Strategy.....	24
1.1.1.3 European Neighbourhood Policy	26
1.1.2 2008 - 2014	29
1.1.2.1 Eastern Partnership	29
1.1.2.2 Lisbon Treaty	33
1.1.3 2014 - 2016	35
1.1.3.1 Revision of ENP, 2015	35
1.1.3.2 EU Global Strategy on Foreign and Security Policy	38
1.2 THE ROLE OF RUSSIA IN THE EU'S STRATEGY	40
1.2.1 EU-RUSSIA-SHARED NEIGHBOURHOOD.....	40
1.2.2 EU-RUSSIA-US.....	44
1.2.3 WIDER EUROPE.....	46
1.3 EU MEMBER STATES' POSITIONS	47
1.3.1 EASTERN AND NORTHERN EUROPE	48
1.3.2 GERMANY	51
1.3.3 MEDITERRANEAN COUNTRIES.....	52
CONCLUSIONS.....	54
CHAPTER 2 - EU POLICIES	56
2.1 EASTERN PARTNERSHIP: AN HISTORICAL OVERVIEW.....	56
2.1.1 POLAND'S PROPOSALS AND WIDER EUROPE COMMUNICATION	56
2.1.2 THE EU NEIGHBOURHOOD POLICY	59
2.1.3 EASTERN PARTNERSHIP	60
2.2 EASTERN PARTNERSHIP: ACTIVITIES AND INSTITUTIONS	62
2.2.1 BILATERAL DIMENSION	62
2.2.1.1 Association Agreement and DCFTA	63
2.2.1.2 Sector initiatives.....	68
2.2.1.3 Current status of the bilateral dimension.....	71
2.2.2 MULTILATERAL DIMENSION.....	73
2.2.2.1 Thematic Platforms	73
2.2.2.2 Flagship initiatives	76
2.2.2.3 Current status of multilateral dimension.....	78
2.2.3 INSTITUTIONAL FRAMEWORK.....	79

2.2.3.1 Comprehensive Institution-Building Programmes	79
2.2.3.2 The Euronest Parliamentary Assembly and CORELAP	80
2.2.3.3 The Civil Society Forum	81
2.2.4 BUDGET	82
2.2.4.1 ENI - The European Neighbourhood Instrument	82
2.2.4.2 Support for regional cooperation.....	84
2.2.4.3 Neighbourhood Civil Society Facility	84
2.2.4.4 Other funding.....	85
2.3 OUTCOMES.....	87
2.3.1 ECONOMIC OUTCOMES.....	87
2.3.2 POLITICAL OUTCOMES	88
CONCLUSIONS.....	91

CHAPTER 3 - RUSSIAN STRATEGY.....92

3.1 RUSSIAN STRATEGY IN THE SHARED NEIGHBOURHOOD	92
3.1.1 2000 - 2008	93
3.1.1.1 Foreign Policy Concept, 2000.....	93
3.1.1.2 National Security Concept, 2000.....	95
3.1.2 2008 - 2014	97
3.1.2.1 Foreign Policy Concept, 2008.....	97
3.1.2.2 National Security Strategy, 2009	100
3.1.2.3 Foreign Policy Concept, 2013.....	101
3.1.3 2014 - 2016	104
3.1.3.1 Military Doctrine, 2014.....	104
3.1.3.2 National Security Strategy, 2016	106
3.2 THE ROLE OF THE EU IN RUSSIA'S STRATEGY.....	109
3.2.1 RUSSIA-EU-NEAR ABROAD.....	109
3.2.2 RUSSIA-EU-US	114
3.2.3 GREATER EUROPE	118
CONCLUSIONS.....	123

CHAPTER 4 - RUSSIAN POLICIES.....125

4.1 EURASIAN UNION: AN HISTORICAL OVERVIEW.....	125
4.1.1 CIS.....	126
4.1.2 THE CUSTOMS UNION	128
4.1.3 EURASIAN UNION	131
4.2 EURASIAN UNION: ACTIVITIES AND INSTITUTIONS	133
4.2.1 ECONOMIC INTEGRATION	133
4.2.2 INSTITUTIONS	135
4.2.2.1 Eurasian Economic Council	135
4.2.2.2 Eurasian Economic Commission.....	135
4.2.2.3 Court of the Eurasian Economic Union.....	137
4.2.3 BUDGET	137
4.2.3.1 Eurasian Development Bank.....	137
4.3 OUTCOMES.....	138
4.3.1 ECONOMIC OUTCOMES.....	138
4.3.2 POLITICAL OUTCOMES	141
CONCLUSIONS.....	143

CHAPTER 5 - COMPATIBILITY OF EU-RUSSIAN STRATEGIES AND POLICIES	144
5.1 EU-RUSSIA STRATEGIES IN THE SHARED NEIGHBOURHOOD	144
5.1.1 COMPARISON OF STRATEGIES	145
5.1.1.1 2000 - 2008	145
5.1.1.2 2008 - 2014	148
5.1.1.3. 2014 - 2016	150
5.1.2 COMPATIBILITY OF STRATEGIES.....	151
5.1.2.1 Goals.....	151
5.1.2.2 Instruments.....	156
5.1.2.5 Strategy.....	160
5.2 EU-RUSSIAN POLICIES IN THE SHARED NEIGHBOURHOOD	162
5.2.1 COMPARISON OF POLICIES	162
5.2.2 COMPATIBILITY OF POLICIES	166
5.3 THE UKRAINE CRISIS.....	169
5.3.1 CAUSES OF THE CONFLICT	170
5.3.2 EU-RUSSIAN INVOLVEMENT IN THE CRISIS.....	172
5.3.3 CONSEQUENCES FOR EU-RUSSIAN RELATIONS	175
CONCLUSIONS.....	176
 GENERAL CONCLUSIONS	 177
 BIBLIOGRAPHY	 181

Introduction

Over the last two years, Russia-West relations were profoundly impacted by the Ukraine crisis, and they reached their lowest point since the '90s leading to what has been defined "a new Cold War"¹ or "a Cold Peace"². It all started in November 2013, when the former Ukrainian President Yanukovich's refusal to sign the Association Agreement with the European Union led to a political spiral that resulted in the rapid internationalization of the Ukrainian internal crisis³. The protests of the Euromaidan movement, the deposition of Yanukovich, Russian takeover of Crimea, Poroshenko's signature of the Association Agreement with the EU, and the conflict in Donbass were the result of the mixture of internal and international competing interests a country that has such an important geopolitical and strategic position. In 2016, more than two years after the initial outbreak of the crisis, the Minsk II Agreement represents the final international attempt at least to pacify the situation in Ukraine, while the international chessboard remains pervaded by mutual distrust and accusations between Russia and the West, with economic sanctions still applied from both sides.

As the English Professor of Russian studies Richard Sakwa writes in his recent book about Ukraine⁴, the Ukraine crisis can be seen as the culmination of a broader geopolitical confrontation between Russia and the West, that has its roots in the asymmetric end of the Cold War, *"in which one side declared victory while the other one was not ready to embrace defeat"*. According to Sakwa, at the end of the Cold War neither an inclusive and equitable peace nor an equitable political and security system were established: the institutions of the East dismantled and those of the West enlarged, with the EU and NATO pursuing their Eastwards expansion since the '90s. In those years Russia repetitively warned NATO that a further enlargement, bringing the military organization close to Russian borders, would be perceived as a strategic threat. Also worth noting is the fact that Russia considers the European Union and NATO strictly inter-related, and over the past decades it realized its failure in dividing the EU from the Euro-Atlantic security system. According to Sakwa, this recurrent tension between Russia and the Euro-Atlantic system corresponds to the divergent vision that Russia and the EU have of the geopolitical space that separates their territories. The incompatibility between the two visions started to emerge in the early 2000s, when the EU was working for the big 2004 enlargement and Russian economy took off, leading to an increased assertiveness of Russia in the international sphere. It is in these years that both the EU and Russia started to conceive their ideas to shape the "in-between area" according to their ideal visions of the European continent.

The EU projects to shape the post-Cold War Europe were based on the conception of "Wider Europe", a Eurocentric vision of a European core that extended into the heartlands of what had once been an alternative system cantered on Moscow. This Wider Europe system is inevitably merged with the Atlantic security system, with the US and NATO providing security to what otherwise would be a mere economically integrated area. On the contrary, Russia and some European leaders proposed the vision of "Great Europe", a way of bringing together all corners of the continent to create what Gorbachev called the "Common European Home", a multipolar and pluralistic concept of Europe without a single core. To realize this conception, the first step would be a Russian-led economic integration in the post-Soviet space, to be connected and harmonized with the EU

1 Russian Prime Minister Medvedev, during the Munich Security Conference of February 2016, equated Russian relations with the West - also with regard to the Syrian crisis - to a "new Cold War". Many scholars, since the outbreak of the hostilities in Ukraine and the Russian takeover of Crimea, have been speaking of a New Cold War.

2 Cfr. Sakwa (2015).

3 In his book "Frontline Ukraine", R. Sakwa makes the distinction between the "Ukrainian crisis" and the "Ukraine crisis". The former is the internal crisis that occurred in Ukraine between competing political groups and polarized sectors of the population – pro-EU versus pro-Russia. The latter is the international crisis that occurred because of the internationalization of the internal crisis in Ukraine.

4 Cfr. Sakwa (2015).

integration path in a second moment. These two visions are currently at the basis of EU and Russian foreign policy strategies in the shared neighbourhood⁵.

If we consider the events that occurred in Ukraine in the last two years under these broader lenses, the Ukraine crisis can be seen as continuation in new forms of what was the East-West conflict during the Cold War, and as the sharpest manifestation of the instability of the post-Cold War international system. Above all, the crisis exacerbated the difficulties for Russia and the EU to find a common understanding of their mutual interests and objectives in the area of the shared neighbourhood - Eastern Europe and the Caucasus⁶. Moreover, the Ukraine crisis thus brought on the surface an increasingly difficult relationship between Russia and the EU on a number of issues, especially in the security and geopolitical dimensions, and the shared neighbourhood has become an area of competition at multiple levels. However, EU and Russian projects over the shared neighbourhood must be considered under the broader framework of EU-Russian relations, that evolved in a parallelism with EU-Russian projects in the neighbourhood.

Since the '90s, many initiatives were carried out by the EU and Russia to determine a legal framework for their bilateral relation and to enhance bilateral cooperation – the Partnership and Cooperation Agreement of 1997, the four Common Spaces, the Partnership for Modernization Project. However, these initiatives only concerned the bilateral level and never tried to find a common understanding over the shared neighbourhood. Good proposals for the creation of an area of peace and political and economic cooperation that would include the shared neighbourhood have been constantly voiced from both sides. Since the '80s Gorbachev's rhetoric was pervaded by the idea of the “Common European Home”, that evolved into Putin's proposal of an “harmonized community of economies from Lisbon to Vladivostok”. The Council of Europe he called for “a new greater Europe without dividing lines...where no single state would be able to impose its will upon any other”, while Prodi in its “Wider Europe Project”⁷ of 2001 considered Russia as a fundamental partner of the EU. However, in concrete Russia and the EU did not manage neither to reconcile the differences between their approaches over the shared neighbourhood and they both pursued their own strategic interests regardless of those of the other.

On the one hand, the EU seeks to extend a post-modern security community across the Wider Europe and to create a ring of well governed countries to the East through trade and assistance programmes⁸. The aim of the EU is to bring stability, security and prosperity in its neighbourhood, with an approach that is based on the export of EU norms and values in the neighbours. This was the goal at the basis of initiatives like the Neighbourhood Policy and Eastern Partnership. By helping partner countries in their harmonization of government provisions and economic regulations with those of the EU, the Union intends to bring these countries closer to itself, in what has ultimately become a geopolitical programme. On the other hand, if Russian aims are quite similar to those of the EU – meaning the stabilization and the integration of the neighbourhood - its method to reach them is more based on Russian traditional *realpolitik* in foreign affairs. We shall remember that these countries were once part of the Soviet Union, and are now considered by Russia an “area of privileged interests”⁹, linked with Russia by the same history, culture and

5 Calling countries of Eastern Europe and the Caucasus “shared neighborhood” I am adopting the European perspective. Russian sources and political rhetoric prefer to speak about “common neighborhood”, to give a more neutral connotation to the concept. Since the two definitions mean the same area in practical terms – the six countries of Eastern Europe and the Caucasus – I will use the two expressions indifferently.

6 When I speak of “Eastern Europe” I refer to those countries in Eastern Europe that are not part of the EU, namely Belarus, Ukraine and Moldova, while the “Caucasus” comprehends countries of the Southern Caucasus, namely Armenia, Azerbaijan and Georgia.

7 The notion of “Wider Europe”, in Prodi's proposal, initially included all EU Eastern neighbors and Russia. Then, as we will see in the next chapters, the institutionalization of this proposal ended up in the self-exclusion of Russia from EU initiatives that included the EU neighbors,, to privilege Russia-EU bilateral relation.

8 Cfr. Averre (2009).

9 Cfr. Medvedev (2008).

language. Russian interests in CIS countries make it sensitive to potential threats such as EU and NATO's Eastward expansion, Colour Revolutions and recent EU initiatives such as Eastern Partnership. Therefore, both the EU and Russia started to sponsor in the neighbourhood their own project of economic and political association, with the result that countries of Eastern Europe and the Caucasus are now caught in the spiral of tensions between the two major powers. As the Ukraine crisis demonstrated, what seems to be a mere economic choice between Eastern Partnership and the Eurasian Union in reality hinders a broader geopolitical and identity choice for countries of Eastern Europe and the Caucasus. Historical distinctions, cultural variations, geographical differences and other factors inspire the particular responses of the six countries concerned by these policies¹⁰.

The countries that until now I defined as the "shared neighbourhood" are the three countries of Eastern Europe not belonging to the EU – Ukraine, Belarus and Moldova - and the three countries of the Southern Caucasus – Armenia, Georgia and Azerbaijan. These two regions are important both for the EU and Russia because of their position and their geostrategic significance. The Caucasus is considered a link between Central Asia and Europe, a transit route for energy supplies and as the "outpost for the war against terrorism", while Eastern Europe is located between the EU and Russia, in an area that has always been contested by European powers and Russia. All the six countries face similar challenges such as frozen conflicts, religious extremism, poverty, transnational organized crime and often low levels of democracy and respect for human rights. However, they present very different characteristics in terms of politics, economy, natural resources, ethnic configuration and external projection. Belarus has been ruled by Alexander Lukashenko since 1994 presidential elections and its foreign policy is intrinsically pervaded by the country's friendship with Russia. The geopolitical importance of the country is due to its position at the border between Russia and the European Union and to its central role of host of oil and gas pipelines that go from Russia to the European Union. Moldova is one of the poorest countries in Europe and in historical, cultural, linguistic and ethnic terms the country is close to Romania, while internal problems and energy ties made it reliant on Russia. This duality reflects on the internal political panorama of the country. The importance of Ukraine, the largest country in Europe (after Russia), for both Russia and the EU relies in the very strategic pipelines that cross the country for the transport of Russian gas to European Union. At the political level, the country has always suffered from heavy corruption and continuous changes of governments, reflected in continuous pro-West/pro-Russia shifts. Regarding the Caucasus, Armenia is one of the poorest and most isolated countries of the region. It has no energy resources and is extensively dependent on Russian energy supplies as well as Iranian aid and other foreign assistance. Armenian economy and politics are strongly affected by the conflict against Azerbaijan over the Nagorno-Karabakh region, that has recently seen the end of the ceasefire established some years ago. On the contrary, Azerbaijan is rich in oil and gas resources and its geo-strategic location makes it very attractive to external actors, such as the US, EU, Russia, Iran and Turkey. Azerbaijan decided not to commit itself neither to EU nor to Russian integration, in order to pursue an independent and multi-vectorial foreign policy. Compared to Armenia and Azerbaijan, Georgia has been facing the worst situation since the collapse of the Soviet Union. Its independence from the Soviet Union was accompanied by breakouts of a bloody civil war and two separatist conflicts in the South Ossetia and Abkhazia, that Russia recognized as independent after the war of August 2008.

The complicated internal situation of these countries makes even more difficult for the EU and Russia to find a shared and mutual beneficial approach toward the regions. Questions such as the future of Abkhazia and South Ossetia, the resolution of the conflict in Transnistria and in the enclave of Nagorno-Karabakh and the recognition of Crimea independence from Ukraine represent consistent challenges over which the EU and Russia face continuous misunderstandings and

10 Cfr. Hill (2011).

different perspectives. The Common Space on External Security established between Russia and the EU is based on joint commitments for the shared neighbourhood, but its role has been limited due to contrasting conceptions of "security". Eastern Europe and the Caucasus thus remain two areas of borderlands, continuously triggered by tensions between their bigger neighbours, that often pursue their own strategic objectives and give low consideration to the will and the needs of their minor neighbours.

Research Question and Thesis Structure

Under the light of the considerations of the previous paragraph, *the objective of my research is to understand what are the reasons of the tensions that occurred between the European Union and Russia over the shared neighbourhood since 2000 to present days.* To answer this question, my research will be based on the comparison of the EU and Russian strategies and policies over the shared neighbourhood, to understand at what level tensions occur between the EU and Russia. Therefore, I will first present individually EU and Russian strategy and policies over the shared neighbourhood. Then, I will compare EU-Russian strategies and policies, in order to assess the degree of compatibility between them and to understand what are the main roots of the tensions between the two areas. Speaking about EU and Russian strategies toward the shared neighbourhood requires the consideration of their strategies toward each other's, as the EU approach toward the eastern neighbourhood was progressively shaped by EU-Russian relations and by Russian actions, and vice-versa. Therefore, after considering individually EU and Russian strategies toward the shared neighbourhood, I will also talk about EU and Russian approaches toward each other. Moreover, I will try to consider all the relevant factors that would give an analysis of the situation as broad as possible. Many external and internal interests should be considered when examining EU and Russian strategies and policies toward the shared neighbourhood – for instance, the response of the countries in object to EU-Russian initiatives, or the role of the US and NATO in shaping the EU-Russian approaches, especially in the security dimension. However, it is impossible to consider all the aspects of the issue, and I had to limit my research to the most relevant factors for the research question.

The time framework that I chose, namely the years 2000-2016, is due to some considerations. Firstly, I wish to focus on the most recent events that influenced EU-Russian strategies in the neighbourhood as well as their mutual relations. Secondly, the year 2000 is taken as an indicative year to signal a change in the foreign policy strategies of both actors. Under President Putin, in 2000 Russia began the process of economic growth that would eventually result in its aspirations for a more assertive role in the international arena, in contraposition with the pro-Western attitude in internal and foreign policy that Eltsin promoted in the '90s. At the same time, in the early 2000s the European Union was in the process of granting membership to countries of Central and Eastern Europe, an event that would deeply impact on its internal policies and external relations. The two actors' strategy considerably evolved since 2000, due to internal and external changes. Therefore, I will consider their approaches toward the neighbourhood under a historical perspective, focusing on the gradual progresses in foreign policy strategies of Russia and the EU since 2000. Historical depth is necessary to understand the causes of contemporary tensions and incomprehension between Russia and the EU as well as of their divergent approaches toward the neighbourhood. To make the analysis easier, I will distinguish three periods of EU and Russian foreign policy approaches toward the neighbourhood - even if the distinction is purely artificial. The three periods are divided by events that impacted on the EU-Russian approaches toward each other and toward the shared neighbourhood. The first period goes from 2000 to 2008, and is delimited by Putin's accession to power in Russia and the war in Georgia in August 2008. In Europe it corresponds to the years in which the EU had to face the consequences of its enlargement on the level of foreign policy, and started to conceive a comprehensive approach to deal with the neighbourhood. The second period

goes from the war in Georgia to the Ukraine crisis, that represented another turning -point in EU-Russia relations. In this period, both the EU and Russia consolidated their approaches toward the neighbourhood in a more assertive way. Finally, the last period consists in the two years that follows the Ukraine crisis until now, when both Russia and the EU tried to re-orient their foreign policy strategies. This time delimitation will be used throughout the whole thesis.

In order to answer to the research question in a structured way, this thesis has been divided into five chapters, each of one with the specific objective of understanding a different aspect of the EU and Russian actions in the shared neighbourhood. I will dedicate to each of the two actors two chapters. The first one is intended to understand the foreign policy strategy that the EU and Russia are following in the shared neighbourhood. The second one examines the concrete policies that they put in practice in the area. The fifth is dedicated to a comparison of EU-Russian strategies and policies in the shared neighbourhood, in order to assess their degree of compatibility and to understand the reasons why we are currently witnessing a clash between the two powers. Thus, the thesis is so organized:

Chapter 1

The aim of the first chapter is to understand what is the EU foreign policy strategy in the shared neighbourhood with Russia. This chapter is divided into three parts. The first one aims to present the EU strategy toward countries of Eastern Europe and the Caucasus. For this purpose, I will present the development of EU strategy toward the neighbourhood over the last decades, by dividing it into the above mentioned three periods: 2000-2008; 2008-2014 and from 2014 until present days. To study the evolution of the EU approach toward the neighbourhood, I will use relevant documents connected with EU foreign policy, such as the European Security Strategy of 2003 and the strategic documents related to the Eastern Partnership project. From these documents I will try to extrapolate the general EU foreign policy strategy toward the neighbourhood, pointing out the objectives and instruments that the EU set for each period. The second part of the chapter analyses the role that Russia has in the EU Eastern strategy, focusing on the EU shift from the initial “Russia-first” approach to an approach that seems to privilege the Eastern neighbourhood over Russia. Then, in the third part, I will present the positions and interests of relevant EU members, since they are not all aligned on the same approach toward the Eastern neighbourhood and Russia.

Chapter 2

The second chapter is dedicated to the analysis of EU policies in the shared neighbourhood. Since the EU has framed its relations with countries of Eastern Europe and the Caucasus under the Eastern Partnership initiative, the focus of this chapter will be on Eastern Partnership policies. In the first part of the chapter I will reconstruct the historical process that led to the creation and evolution of the initiative, giving emphasis to the role that single EU members played in the internal EU dynamics. In the second part, I will present the activities and the institutional framework of Eastern Partnership, in its bilateral and multilateral dimensions. The third part of the chapter will give an overview of the current status of the various Eastern Partnership initiatives and an assessment of its main outcomes.

Chapter 3

The third and fourth chapters are dedicated to the analysis of the Russian approach, in a parallelism with the analysis of the EU one. The third chapter focuses on Russian foreign policy strategy in Eastern Europe and the Caucasus as a part of the Russian “Near Abroad”. The first part

of the chapter describes Russian foreign policy strategy towards the six countries of Eastern Europe and the Caucasus. Through the analysis of relevant documents, such as the Foreign Policy Concepts and the National Security Strategies, I will reconstruct the interests and objectives that guided and guide Russian strategy in the region, by respecting the distinction of the three periods. The second part of the chapter will be dedicated to the evolution of Russian strategy toward the EU. Here, I will analyse how Russia responded to the EU initiatives in the neighbourhood, by presenting Russian vision of Eastern Partnership and of the involvement of the US in the security and the political-economic spheres of the region.

Chapter 4

The fourth chapter, in a parallelism with the second, describes the concrete policies that Russia is pursuing in the region of Eastern Europe and the Caucasus. The main one is the recently launched Eurasian Union, that derives from a decade-long process of integration of the post-Soviet space envisaged by Russia and is designed to involve also countries of Central Asia. In the first part, this chapter presents the history and the evolution of the Eurasian Union. Then, it presents its objectives, its functioning and the institutional framework on which it is based. Finally, it will present the outcomes and the results that have been reached until now.

Chapter 5

The fifth chapter is the most important one for the purpose of this thesis, as it aims to answer to the research question. The purpose of this chapter is to understand what are the causes of the contemporary tensions between Russia and the EU and whether they can be found at the level of strategy or policies of the two actors. To answer this question, the first part of the chapter is divided into three parts. The first one compares EU-Russian strategies in the shared neighbourhood and tries to assess their level of compatibility. The second part compares EU-Russian policies in the region, using the analysis of Eastern Partnership and the Eurasian Union of the previous chapters. Finally, the third part studies the Ukraine crisis as the main example of the clash between EU and Russian strategies and policies in the shared neighbourhood. This paragraph will show how and why the two actors' strategies and policies entered into conflict and caused the worse crisis between Russia and the West since the end of the Cold War.

Literature Review

The literature that I used for the present work include both primary and secondary sources. On the one hand, I used official documents – and official speeches - of the EU and Russia to understand their strategies and policies toward their shared neighbourhood and toward each other. On the other hand, I reconstructed the academic debate over the drivers and interests of the two actors in the shared neighbourhood as well as their broader conceptions of the space around them. The most useful study in this regard is the already-mentioned book “Frontline Ukraine. Crisis in the Borderlands”, written by Sakwa in the aftermath of the Ukraine crisis, that explains the economic, political, security and geopolitical dimensions of the crisis, contextualizing the internal Ukrainian crisis in the broader geopolitical confrontation of Russia and the West since the end of the Cold War.

Documents

For the analysis of the European Union's foreign policy in the neighbourhood, I made use of official documents released by EU institutions. Since the EU is not a State, and contrarily to Russia

it does not have a Foreign Policy Concept, in the first chapter I used the documents that give programmatic and strategic directions to the EU foreign policy. Among them, the European Security Strategy of 2003, that gives an outline of the main threats that the EU has to face at its borders, as well as the means to face these challenges. Moreover, in presenting EU strategy toward the neighbourhood, I referred to the relevant documents of the EU Neighbourhood Policy and Eastern Partnership. Despite they mostly contain provisions about specific policies in the field of economy, energy, people mobility and so on, a general strategy can be extrapolated from these documents, allowing us to understand the broader EU strategic approach toward the neighbourhood. The details relating to the implementation of the bilateral and multilateral policies of Eastern Partnership, together with the analysis of the Association Agreements and the Deep and Comprehensive Free Trade Agreement was useful for the study of concrete EU policies in the second chapter.

Similarly, the analysis of Russian foreign policy strategy in the neighbourhood is based on the strategic documents of Russian Foreign Policy. The main ones are the Foreign Policy Concepts of 2000, 2008 and 2013, and the various National Security Strategies and Military Doctrines that were released from 2000 to 2016. These documents are essential to understand Russian perception of the international arena and Russian interests and priorities in the so called “Near Abroad”. Moreover, I used information from the official sources of the Eurasian Union web portal in the fourth chapter dedicated to Russian policies in the neighbourhood.

Literature

In this work I made use of a broad literature to understand the more profound drivers of the EU foreign policy strategy that are not outlined in official documents. Among the main scholars whose publications were used in the thesis, Richard Sakwa is certainly the main one. In his book “Front Ukraine: Crisis in the Borderlands”, he presents his study on the geopolitical dimension of the Ukraine crisis as well as the geopolitical tension between the EU and Russia since the end of the Cold War. With regard to the drivers of the EU actions in the neighbourhood, I found particularly useful the publications on EU normative power and on EU external security dimension. Among the first ones, in the book “Who is a normative foreign policy actor? The European Union and its global partners.”, Nathalie Tocci collected various articles that examine the normative power of the European Union. Important contributions come from Panos Koutrakos's collection of articles “European foreign policy. Legal and political perspectives”, that analyses the European Union progressive experimentation in its neighbourhood. With regard to Eastern Partnership, one of the main authors on the topic is Elena Korosteleva, who analyses Eastern Partnership as a EU foreign policy instrument. Among her publications, I found particularly interesting the books “Eastern Partnership: A New Opportunity for the Neighbours?” (2011), “The European Union and its Eastern Neighbours: Towards a more ambitious partnership?” (2012) and “EU Policies in the Eastern Neighbourhood: the practices perspective” (2014), that focus on different aspects of Eastern Partnership and on EU-Russia relationship in the framework of the EU institutionalized policy. A major contribution of the legal dimension of EaP is offered by the book “Legislative approximation and application of EU law in the Eastern Neighbourhood of the European Union. Towards a common regulatory space?”, edited by Peter Van Elsuwege and Roman Petrov.

The literature concerning Russian foreign policy in the neighbourhood is broad and sees Trenin and Tsygankov as the main experts on Russian studies. From their articles, I presented the main drivers of Russian interests and strategy in the neighbourhood. In particular, Tsygankov's study on the spatial dimension of Russian foreign policy was helpful in understanding Russian perception of the space around it and Russian security complex. Mearsheimer is another important scholar, that considers Russian foreign policy in realist terms, presenting in his article “Why the Ukraine Crisis is the West's Fault” the drivers of Russian response to NATO and EU Eastward enlargement. Moreover, as in the case of the EU, Richard Sakwa described in his latest publication

the Russian idea of a Greater Europe project. Regarding the Eurasian Union (EEU), various authors have provided descriptive assessments of developments in the EEU, including Bogulavska (2015), Ioffe (2014), and Schenkkan (2015). Both Aslund (2013) and Popescu (2014) have made an assessment of the prospects of the EEU.

Preamble: EU-Russia Relations

Before analysing EU and Russian strategies and policies in the shared neighbourhood, I believe it is important to give a brief introduction on EU-Russian relations. This would help us focus our analysis and frame it in a bigger picture.

Russia and the EU are strongly inter-linked at various levels, and the economic dimension plays a major role in driving their relations. Russia is the largest EU neighbour, which became geographically closer to the EU after the Union's enlargements of 2004 and 2007. For Russia, since the time of Peter the Great, Europe has always represented a fundamental area to relate with and from which depends Russian great power status. Currently, the main area that links Russia and the EU is the economic sphere. In 2014, trade volume between Russia and the EU stood at 285.5 billion euros. Russia is EU's third largest trade partner, where EU companies make up a significant share of total investments, and for Russia trade with the EU accounts for almost 50% of its total foreign trade volume. A crucial sphere of economic relations between the two areas is the energy field. Russia firmly holds the position of key energy supplier to the EU, satisfying the EU's demand for crude oil and natural gas by a third and covering its demand for coal and oil products by almost a quarter. At the same time, the EU is the major customer for Russian energy products. With regard to the security sphere, Russia and the EU are the main guarantors of the security dimension in the European continent. A part from the issues of nuclear security – for which the principal Russian counter-part is the US within the framework of NATO - the EU and Russia have a common interest in strengthening cooperation to address the spread of cross-border threats and challenges, such as countering terrorism, organized crime, illegal migration, human trafficking and illicit drug trade. Moreover, the EU and Russia are key actors in major political issues that today's world is facing, including the settlement of conflicts in the Middle East, Afghanistan, in the Balkans and other regions, as well as prevention of proliferation of WMD and related technologies.

Despite these strong interdependencies, EU-Russia relations have deeply worsened in the last years and have now reached their lowest point since the Cold War. This happened both at the political and economic level. However, the definitive degradation of bilateral relations after the Ukraine crisis was only the arrival point of a process that lasted for some decades. It has to be considered that in the last decades both the EU and Russia considerably changed as international actors. The EU underwent the biggest enlargement it ever had in 2004, with heavy consequences on its internal structure and its external projection. Russia, since the 2000s, started to play an increased role in international relations, willing to re-assert its weight in the international arena. Contrarily to Yeltsin's pro-Western foreign policy, President Putin aims at building relations with the EU on the basis of a pragmatic economic cooperation, where Russia does not intend to comply with the "European model"¹¹. While economic ties between the two areas were strengthened during the last decades, at least until the Ukraine crisis, the legal and political dimensions of bilateral relations registered a negative trend in the same period. If attempts have been carried out from both sides to establish a durable legal framework for bilateral cooperation, political issues and regional crises have increasingly worsened EU-Russia relations and contributed to vanish the positive results achieved in the legal dimension.

The Partnership and Cooperation Agreement (PCA) signed in June 1994 – that came into force in 1997 - served as the initial legal basis for EU-Russia relations in a period in which Russian foreign policy looked for engagement with the West. The PCA laid down a solid legal foundation for comprehensive development of Russia-EU dialogue on a wide range of issues and was the basis for the harmonization of Russian economic and governmental standards with those of the European Union. The Agreement was not only aimed at promoting economic cooperation between the EU and

11 Cfr. Busighina (2012).

Russia but also at developing political dialogue within a multilevel institutional framework. The PCA was based on the following principles:

- Establishment of partnership relations and promotion of activities to achieve common goals and principles (economic freedoms, democratic developments, market economy);
- Establishment of a framework for political dialogue and economic cooperation based on the principles of mutual benefit, responsibility and support;
- Encouragement of trade, investment and economic relations¹².

From the EU side, the PCA was designed to integrate Russia into an inclusive framework of cooperative initiatives, including the promotion of security and international peace, the development of a democratic society in the country, and the strengthening of trade, economic, political and cultural ties. A network of permanent cooperation bodies was established according to the PCA and started work in 1999. The main body was the Cooperation Committee (high-level officials), which coordinates the work of nine subcommittees responsible for particular policy aspects of EU-Russia relations. In addition, EU-Russia Summits at the highest level were supposed to take place twice a year. This framework of positive bilateral cooperation was supported by initiatives promoted by both actors. In June 1999, the European Union approved the Common Strategy on Russia, stressing the strategic importance of the country for European security and the need to maintain a positive and constructive dialogue between the EU and Russia. As a response, in October 1999 Russia presented the Medium-term Strategy for Development of Relations between the Russian Federation and the European Union that, in a very pragmatic tone, projects the image of Russia as a reliable partner, emphasizes its commitment to European security and stresses the role that the EU can perform in the country's modernization, democratization and economic development.

This positive trend in bilateral relations started to worsen in the early 2000s. The Chechen war surely deteriorated Russian international reputation. Moreover, Russia and the EU, despite the frequent rhetoric on the need of cooperation, did not manage to reach concrete results in many fields, such as the security and energy fields. For instance, the EU-Russia Summit in October 2001 created favourable conditions for dialogue. It was decided to institute specific consultations on security and defence matters and to examine mechanisms for contribution by the Russian Federation to the European Union's crisis management operations including the implementation of civilian crisis-management instruments. But the rhetoric about the importance of partnership failed in achieving practical results. The next summit of May 2001 failed to implement the decisions previously taken. Only after the tragedy of September 11th, were monthly consultations between the EU Political and Security Committee Troika and Russia established in order to identify opportunities for political and security cooperation. Even at that time, the emphasis was on issues of non-proliferation, disarmament and arms control that are mostly declarative and have no practical implication for EU-Russia relations¹³.

Therefore, from the early 2000s onward, EU–Russia relationship gained a more pragmatic and practical dimension, with any element of EU conditionality, imposed 'Europeanization' or attempt to interfere in Russian internal affairs receiving Moscow's veto. As former President Medvedev stated: "*A strategic partnership between Russia and the EU could act as the so-called*

12 Cfr. Tumanov et al. (2011).

13 Even NATO, whose relations with Russia suffered from the tensions of the last decade, was more successful in elaborating new procedures for the involvement of Russia in decision-making. NATO-Russia dialogue and cooperation were strengthened in 2002 with the establishment of the NATO-Russia Council (NRC) to serve as a forum for consultation on current security issues and to direct practical cooperation in a wide range of areas. Strategic partnership was established in 2002 to establish a framework to promote dialogue in the security dimension in Europe.

cornerstone of a Greater Europe without dividing lines, which would include intensive economic inter-penetration on the basis of agreed 'rules of the game'. [...] We are open to this, are ready for this. [...] But I repeat that first we must conduct our relations in a business-like fashion and without being influenced by ideology". Under these preconditions, bilateral cooperation continued with the establishment of the four Common Spaces in 2003 under the framework of the PCA. The Road Maps for the creation of the four Common Spaces were established at the Moscow Summit of May 2005. The Common Spaces, that expand on the ongoing cooperation as described above, set out further specific objectives, and determine the agenda for co-operation between the EU and Russia for the medium-term, are:

Common Economic Space: The objective of the common economic space is to create an open and integrated market between the EU and Russia, by removing barriers to trade and investments and promoting reforms and competitiveness, based on the principles of non-discrimination, transparency, and good governance. Cooperation is also envisaged in the fields of regulatory policy, investment issues, competition, financial services, telecommunications, transports, energy, space activities and environment issues.

Common Space of Freedom, Security and Justice: This space led to the conclusion of negotiations on the Visa Facilitation and Readmission Agreements. However, the visa-free dialogue that was initiated in 2010 is temporarily frozen due to the Ukraine crisis. Moreover, this Common Space included cooperation on combating terrorism and other forms of international illegal activities such as money laundering, the fight against drug and trafficking in human beings. The EU also supports border management and reform of the Russian judiciary system.

Common Space on External Security: The Road Map underlines the shared responsibility of the parties for an international order based on effective multilateralism, their support for the central role of the UN, and for the effectiveness in particular of the OSCE and the Council of Europe. The parties committed themselves to strengthen their cooperation on security and crisis management in order to address global and regional challenges and key threats, notably terrorism and the proliferation of weapons of mass destruction, giving particular attention to securing stability in the regions adjacent to Russian and EU borders.

Common Space on Research, Education, Culture: This space builds on the long-standing relations with Russia through its participation in EU Research and Development activities. It aims at capitalizing on the strength of the EU and Russian research communities and cultural and intellectual heritage by reinforcing links between research and innovation and closer cooperation on education such as through convergence of university curricula and qualifications. It also lays a firm basis for cooperation in the cultural field.

From the EU side, cooperation with Russia was supported economically by the European Neighbourhood Policy Instrument, that was used at the same time for countries of the European Neighbourhood Policy (ENP), to which Russia had decided to opt out. Since the creation of the ENP initiative, one of the main difficulties encountered by the EU was to find a coordination and balance between its policies toward Russia and the East European states (Belarus, Ukraine, and Moldova). These two dimensions of the EU foreign policy proceeded in a parallel but separate way, and the same happened from the Russian side. After the establishment of the four Common Spaces, the EU and Russia decided to focus on the modernization of the Partnership and Cooperation Agreement. At the Russia-EU summit in London in 2005 political agreement was reached to conclude a New Agreement to replace the existing PCA. The decision taken at Khanty-Mansiysk in June 2008 to launch the negotiations for a new agreement stated that this should 'build on the

international commitments which bind the EU and Russia'. During the process of reform of the PCA, Russia placed special emphasis on the need for new realities to be reflected in the future agreement, such as Russia's accession to the WTO and the ongoing active process of Eurasian economic integration. Divergences in the visions of the two actors impeded to find a definitive agreement, and in 2011 negotiations were postponed due to divergent visions on many economic and trade issues. This stall in EU-Russia legal relations reflected the parallel degradation of political relations. The war in Georgia of 2008 had a negative impact on EU's perception of Russia and encouraged the EU to accelerate the creation of the Eastern flank of its neighbourhood policy. Moreover, in the security sphere, the debate in Europe about the positioning of a missile shield by the United States in Poland and the Czech Republic led to reaction by Russian President Dmitry Medvedev to station Iskander missiles in the Russian exclave of Kaliningrad¹⁴. The gas crisis between Russia and Ukraine in January 2009 and the resulting shortening of supply to Eastern Europe put EU-Russia relations to another test. In May 2009 the EU started an Eastern dimension of the European Neighbourhood Policy with the Eastern Partnership initiative. Despite the continuous EU assurance that the initiative was not anti-Russian, Russian leaders continuously criticized the policy, seeing it is a threat to Russian interests in the region. It was in that years that Russia accelerated the pace of integration of the former USSR countries. These incomprehensions and divergent interests increased EU-Russian mutual distrust in the following years.

Although undoubtedly progress in many fields like trade, energy or visa facilitation has been achieved, institutional development of both partners led to an increasingly difficult bilateral relationship. In 2010, the EU and Russia launched the "Partnership for Modernization" initiative, a work-plan based on cooperation activities and common projects. In its wording, the Partnership aimed at being a 'flexible framework for promoting reform, enhancing growth and raising competitiveness', building on the common spaces' results. Modernization would cover the economic and technical aspects (including standards and regulations), the rule of law, and the functioning of the judiciary in Russia. The initiative encouraged further legislative approximation of Russian legislation to that of the EU beyond priority areas identified in the 1994 PCA approximation clause. However, despite the various bilateral commissions working on different issue areas, the lack of agreement over the legal basis for this relationship is demonstrative of structural problems in EU-Russia relations. In 2011, the EU achieved an impressive degree of unity based on an overriding interest in developing its co-operation with Russia. This unity was symbolised by increasing co-ordination between Germany and Poland, leading some to speak of a "Polish-German tandem" on Russia policy. However, in September, Russian Prime Minister Vladimir Putin's announcement that he was returning to the presidency ended a period of wishful thinking that had underwritten much of the EU's engagement with Russia. Some EU leaders, and in particular Catherine Ashton, the EU's foreign policy chief, took the opportunity in a speech to the European Parliament on 1 February 2012 to reprimand Russian leaders both for internal and external policy failures. In that occasion, Ashton raised foreign policy differences between the EU and Russia, with references to the case of Syria.

These divergences and occasional crises were explicatory of a trend of increasing competition between the EU and Russia, in particular for what concerned the shared neighbourhood. As I said the Ukraine crisis was the culmination of this trend and marked the beginning of a new phase of EU-Russia relations. Since the outbreak of the crisis, the two actors' relations are currently facing the worse period since the end of the Cold War, aggravated by EU sanctions toward Russia and Russian retaliatory sanctions toward the EU. Asset freezes and visa bans apply to 149 persons while 37 entities are subject to a freeze of their assets in the EU. A trade and investment ban is now in force for Crimea/Sevastopol. The European Union suspended bilateral cooperation on most tracks, including regular Russia-EU summits. In response to Russia's annexation of Crimea the EU has also

14 Cfr. Schäffer (2012).

suspended talks on visas facilitation, and in the same year Russia was excluded from the G8 meetings. Finally, EU Member States also supported the suspension of negotiations over Russia's joining the OECD and the International Energy Agency. With sanctions, targeted measures have been taken against Russia in areas including access to capital markets, defence, dual-use goods and sensitive technologies (including those in the energy sector). The European Investment Bank and the European Bank for Reconstruction and Development have suspended the dialogue on new financing operations in Russia. In response, Russia has taken retaliatory measures, including a ban on the import of certain foods from the EU and several non-EU countries. Also Russian collaboration with NATO was suspended. All practical civilian and military cooperation under the NATO-Russia Council was suspended in April 2014. At the Wales Summit in September 2014, NATO leaders condemned Russia's military intervention in Ukraine and demanded that Russia comply with international law and its international obligations and responsibilities, end its occupation of Crimea, refrain from aggressive actions against Ukraine, withdraw its troops, halt the flow of weapons, equipment, people and money across the border to the separatists and stop fomenting tension along and across the Ukrainian border. Since then, efforts have been made in the form of the Minks Quartet to find an agreement between Russia and the West. At a summit in Minsk on 11 February 2015, the leaders of Ukraine, Russia, France, and Germany agreed to a package of measures to alleviate the ongoing war in the Donbass region of Ukraine. The talks that led to the deal, overseen by the Organization for Security and Co-operation in Europe (OSCE), were organised in response to the collapse of the Minsk Protocol ceasefire in January–February 2015. The new package of measures is intended to revive the Protocol, which had been agreed to on 5 September 2014. However, for the moment EU sanctions on Russia remain in place, conditional upon the implementation of all the clauses of the agreement.

This general overview of Russia-EU relations was intended to give a broader vision of Russia-EU relations. In studying the evolution of EU and Russian strategies and policies toward the shared neighbourhood, it is important to keep in mind that these actions were parallel to the above mentioned relations between the European Union and Russia.

Chapter 1 - EU Strategy

The aim of this chapter is to analyse the foreign policy strategy of the European Union toward countries of its Eastern neighbourhood since the year 2000. To do this, the chapter is divided into three parts. The first part analyses EU foreign policy approach toward countries of Eastern Europe and the Caucasus, by using relevant documents to understand the evolution of the EU strategy in the neighbourhood. This part will outline what are the main objectives and instruments of EU foreign policy in the region, and how they evolved over the last two decades. The second part will focus on the role of Russia in EU's strategy toward the neighbourhood, since Russian presence in the shared neighbourhood deeply influenced EU approach toward countries of Eastern Europe and the Caucasus. Finally, in the third part I will analyse the different foreign policy positions and interests of single EU Member States toward Eastern Europe and Russia. The outcomes of this chapter will be used in the last chapter to make a comparison between EU-Russian strategies in the shared neighbourhood, in order to assess their level of compatibility and understand the roots of EU-Russian tensions over the shared neighbourhood.

1.1 EU Strategy in the Shared Neighbourhood

As I pointed out in the introduction, the EU started to pursue a more determinate foreign policy in countries of the current Eastern neighbourhood since the early 2000s. In the '90s, after the fall of the Soviet Union, the EU had to deal with new independent states in its neighbourhood that increasingly asked for its economic assistance and help in the transformation from the socialist model to pluralist democracy and market economy. Initially, the EU conceived programmes of economic assistance to these countries, such as the PHARE program for Poland and Hungary¹⁵, and pushed for the signature of bilateral trade and cooperation agreements. However, it took some years to the EU to come up with a coherent response to the disintegration of the Soviet Bloc, and the EU eventually conceived a strategy that separated countries of Central and Eastern Europe (CEECs)¹⁶ from countries that had previously belonged to the USSR. After all, the EU had limited historical ties with the region and, apart from energy interests that would develop in the following years, it had not particular interests in these countries. With CEECs, the main objective of the EU was to ensure that the region did not undermine regional stability. In 1990 Delors, the President of the Commission at that time, proposed the theory of the so called "concentric circles", that was designed to provide for a short term response to the issue. This approach was based on the division of the geographical Europe into concentric circles based on different levels of political and economic integration. The inner circle was formed by the 12 Community countries. Around it, a larger circle that included the EFTA countries. The third circle must contain Eastern Europe, Turkey, Cyprus and Malta.

The rationale of concentric circles did not last long. With violence spreading in the East and with the Maastricht Treaty ratified, these countries' request for membership perspective increased, and also in the EU circles membership started to be perceived as a way to foster the reform process

¹⁵ The main objectives of this program initially were: 1. Strengthen public administrations and institutions to function effectively inside the European Union. 2. Promote convergence with the European Union's extensive legislation and reduce the need for transition periods. 3. Promote Economic and Social Cohesion. Following the 1993 Copenhagen Council's invitation to Central and Eastern European countries to apply for membership, PHARE support was reoriented to this aim, including a marked expansion of support for infrastructure investment. PHARE's total pre-accession focus was put in place in 1997, in response to the Luxembourg Council's launching of the present enlargement process.

¹⁶ Central and Eastern European countries, abbreviated CEEC, is a generic term for the group of countries in Central Europe, Southeast Europe, Northern Europe, and Eastern Europe, usually meaning former communist states in Europe: Estonia, Latvia, Lithuania, Czech Republic, Slovakia, Poland, Hungary, and Slovenia.

in these countries, thus helping to ensure peace and security in Europe¹⁷. Eventually, the supporters of the membership perspective prevailed, and the year 2004 saw the biggest EU enlargement to countries of the former Soviet Bloc. Newly Independent States (NIS)¹⁸ were kept out from this perspective, since the EU believed that they would form a relatively coherent group of countries around Russia within the framework of CIS. However, the consequences of the 2004 enlargement on the EU foreign policy were consistent and had repercussions also on EU relations with these countries. First, the enlargement increased the EU global weight and expanded its international interests. Second, it gave the EU a new perspective and area of action towards its new Eastern neighbours, since it brought Ukraine, Belarus and Moldova on the EU's immediate neighbourhood. From that moment, different perspectives for the future of countries of Eastern Europe and the Caucasus started to emerge, and these countries begun to manifest different aspirations on their preferred form of relationship with the EU¹⁹. Already in the '90s, countries such as Ukraine and Moldova had expressed their interest in becoming EU members.

However, the EU was not willing to extend to them the membership perspective, and it had find an approach that would give to these countries a sense of "inclusion" in Europe that did not contain the final objective of full EU membership. This meant a reversal on the EU methodological emphasis if compared to the enlargement process, stressing the process of adaptation to EU structures and policies rather than the integration to the EU. In this sense go the Partnership and Cooperation Agreements (PCA) that the EU had stipulated with these countries since the '90s. The goal of these agreements was to establish a new trade regime with individual countries of Eastern Europe and the Caucasus, to institutionalize political relations, and to ensure that the EU cooperation and assistance was conditional upon the progress of countries concerned in terms of political and economic reforms. Throughout time, relations between the EU and the new Eastern neighbours have evolved on the bases of PCA and in some cases of Common Strategies towards individual countries. It was only since the 2000s that the EU started to conceive a more coherent and comprehensive approach to stabilize its relations with the region.

The aim of this section is to understand the evolution of the EU's strategy toward its Eastern neighbourhood over the last 16 years. I will do this through the analysis of relevant foreign policy documents, by framing them in the broader international and regional context and events that took place in the region. Since 2000, the EU strategy in the neighbourhood has evolved as a response to internal changes in the EU, enlargement and events that took place in the neighbourhood or in the international environment. This evolution has been sometimes accelerated by external events, others blocked by internal divisions, that often lead to the emergence of policies rich in rhetoric but with scarce resources and mechanisms to implement them²⁰. In the first paragraph I will explain what were the drivers of the EU's foreign policy toward the neighbourhood in the years that go from 2000 to the War in Georgia in 2008, by pointing out the EU's objectives and the strategy envisaged to pursue them. In the second one we will see how the EU approach evolved as a consequence of the war in Georgia. Finally, I will present the latest developments of the EU approach toward the Eastern neighbourhood since the Ukraine crisis. In this exercise, I will reconstruct what are the goals of the Union in the three periods and how they evolved over time, as well as the evolution of the instruments that the EU has at its disposal to pursue these goals.

17 Cfr. Smith (2011).

18 Newly Independent States are countries of the Former Soviet Union that acquired independence in 1991, excluding the Baltic Republics.

19 Cfr. Zagorski (2003).

20 Cfr. Cremona (2006).

1.1.1 2000 - 2008

In the eight years that go from 2000 to 2008, the European Union gradually conceived an institutionalized approach toward its Eastern neighbours. The early 2000s are marked by the biggest EU enlargement of 2004, that caused huge changes both in the internal decision-making process of the EU and in the EU's perception of the outside world. In particular, the enlargement to members of Central and Eastern Europe brought the border of the EU closer to areas of instability and potential threat. The early 2000s were thus marked by the EU's search for a strategy to deal with the new Eastern neighbourhood. Influenced by the pressures of new EU members – such as Poland and the Baltics – the EU started a reflection on what should be its approach toward the new neighbourhood. The response was an attempt to progressively institutionalize its relations with the new neighbours. In 2003 the EU Commission proposed the Wider Europe initiative, that is the first coherent EU attempt to shape the neighbourhood in a strategic way. In the same year, the EU published its first EU Security Strategy, that is particularly focused on the neighbourhood as a strategic area for EU regional security. In 2004, the EU launched the European Neighbourhood Policy (ENP), an initiative designed to give a common and coherent framework to EU relations with all its neighbouring countries. In this paragraph I will examine the documents that were at the basis of these initiatives, presenting their most relevant ideas and their impact on the EU strategic approach toward the neighbourhood.

1.1.1.1 Wider Europe Communication

The path toward the institutionalization of EU's relations with countries of Eastern Europe and the Caucasus begun in 2003, when on the 11th March the European Commission adopted the Communication to the Council and the European Parliament “Wider Europe - Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours”. The idea of forming a “Wider Europe” had been proposed by Solana in 2002 to conceptualize EU mission towards its future new neighbours. The Danish Minister of Foreign Affairs, during Danish Presidency of the EU in 2002 supported this proposal, interested in the enhancement of EU relations with Ukraine, Belarus, Moldova and Russia. In that period, the European Union was in the process of internal changes due to the imminent enlargement, and internal and external pressures were requiring that more careful attention was given to problems of the neighbourhood. The Communication recognizes the challenges of the EU's enlargement, by saying that in 2004 the EU would enter into a new historic phase, since it would increase its political, geographic and economic weight on the European continent. Enlargement is seen as an opportunity to boost EU's economic growth and employment opportunities and to diversify EU traditions and culture. Moreover, the Communication recognises that the enlargement would impact on the EU's economic and political relations with other parts of the world, in particular Russia, Western NIS and Mediterranean countries. In this framework, the EU must play a pro-active role to ensure its own stability and security as well as stability and security of the neighbourhood. The interdependence between the EU and the neighbourhood is recognized, and its potential consequences are outlined in the Communication:

Over the coming decade and beyond, the Union's capacity to provide security, stability and sustainable development to its citizens will no longer be distinguishable from its interest in close cooperation with the neighbours. Interdependence – political and economic – with the Union's neighbourhood is already a reality.

Closer geographical proximity means that the EU and new neighbours will have common interests in economic cooperation and in addressing common threats. Therefore, here we can

identify the first EU objective in the neighbourhood, that is the establishment of a partnership relation that would bring mutual economic benefits and political stability for both sides:

The neighbouring countries are the EU's essential partners: to increase our mutual production, economic growth and external trade, to create an enlarged area of political stability and functioning rule of law, and to foster the mutual exchange of human capital, ideas, knowledge and culture.

The main objective of the Commission Communication was the creation of a ring of friends around the EU, from Morocco to Russia, not preventing but *deferring* the prospect for membership that some countries were requesting.²¹ It reaffirmed that enlargement will serve to strengthen relations with Russia, and called for enhanced relations with Ukraine, Moldova, Belarus and the Southern Mediterranean countries to be based on a long term approach promoting reform, sustainable development and trade. Overall, the main goals of the EU in the neighbourhood that the Communication set out are:

- To work with the partners to reduce poverty and create an area of shared prosperity and values based on deeper economic integration, intensified political and cultural relations, enhanced cross-border cooperation and shared responsibility for conflict prevention between the EU and its neighbours.
- To anchor the EU's offer of concrete benefits and preferential relations within a differentiated framework which responds to progress made by the partner countries in political and economic reform.

The EU is willing to cooperate with neighbouring countries in a number of areas of shared interests, such as infrastructure, efficient border management and interconnected transport, energy and telecommunications networks, that are considered essential to expand mutual trade and investment. Moreover, threats to mutual security, whether from the trans-border dimension of environmental and nuclear hazards, communicable diseases, illegal immigration, trafficking, organised crime or terrorist networks require joint approaches in order to be addressed comprehensively. The security dimension plays an important part of EU motivations to increase cooperation with neighbouring countries. The Communication recognizes that common action is needed to tackle the root causes of the political instability, economic vulnerability, institutional deficiencies, conflict and poverty and social exclusion. Cooperation in these fields must go hand in hand with protection of human rights and fundamental values.

Democracy, pluralism, respect for human rights, civil liberties, the rule of law and core labour standards are all essential prerequisites for political stability, as well as for peaceful and sustained social and economic development.

The benefits that the EU would give to countries that comply with reforms mainly regard the economic field: extension of the internal market, preferential trade relations and market opening, discussion on movement of people across borders, cooperation in the field of common security threats, greater EU involvement in conflict prevention and crisis management, integration in the fields of energy, transports and communication networks, support for integration into the WTO. To achieve these goals, the EU makes use of technical and grant assistance to countries willing to engage in reform programmes. The incentive of trade liberalization is given as far as a country respects "shared values" and align its legislation with the EU acquis:

In return for concrete progress demonstrating shared values and effective implementation of political, economic and institutional reforms, including in aligning legislation with the acquis, the EU's neighbourhood should benefit from the prospect of closer economic integration with the EU.

The Communication also envisages a differentiated strategy for reforms in each country. The EU recognizes that the various neighbours are at different stages of integration with the EU, and

21 Korosteleva (2012).

that the new EU approach cannot be a one-size-fits-all policy. Different stages of reform and economic development also mean that different rates of progress can be expected from the neighbouring countries over the coming decade. While the EU should aim to ensure a more coherent approach, offering the same opportunities across the wider neighbourhood, and asking in return the same standards of behaviour from each of our neighbours, differentiation between countries would remain the basis for the new neighbourhood policy. Regarding the membership perspective, that is offered only to Balkan countries, the Communication does not mention it in relation to countries of Eastern Europe, but it dedicates a paragraph to make explicit that, according to Article 49 of the Treaty on European Union, any European state may apply to become a member of the European Union if it respects the Copenhagen criteria. However, the Communication says that:

The aim of the new Neighbourhood Policy is to provide a framework for the development of a new relationship which would not, in the medium-term, include a perspective of membership or a role in the Union's institutions. A response to the practical issues posed by proximity and neighbourhood should be seen as separate from the question of EU accession.

The means through which the EU realizes its project are Action Plans, that are political documents that set out clearly the overarching strategic policy targets and benchmarks by which progress can be judged over several years.

Regarding the regional dimension, the EU recognizes that in the Eastern border regional economic cooperation among the NIS is *“already quite strong, oriented around traditional flows of trade and investment to and from Russia”*. However, encouragement for regional political cooperation and economic integration is not yet a strong component of EU policy towards Russia and the NIS, and the document only says that *“new initiatives to encourage regional cooperation between Russia and the countries of the Western NIS might also be considered”*.

The Parliament Resolution that commented on the Commission's Paper added some details and reasoning to the emerging “Wider Europe” strategy²². The Parliament claimed that *“it is essential for the enlarged EU not to have closed external borders and to define a strategy for the relations with its neighbours to the east and south, by means of which to share and develop peace, stability, security, respect for human rights, democracy and prosperity in a large shared area, thus making a positive contribution to the construction of a new international order based on multilateralism”*. With regard to the Eastern neighbourhood, it affirmed that it is in the EU's interest, following the successful experience in the Central and Eastern Acceding Countries, that new impetus be given to efforts to construct a society in Eastern European countries *“which is democratic, is based securely on the rule of law, respects human rights and is moving towards efficient and sustainable market economic and social systems and environmental protection”*. It also recognized that all the countries on the EU's new eastern external frontier are having to tackle similar structural problems, but:

A specific analysis for each country seems unavoidable “to do justice, for instance, to conflict management in Chechnya, the democratic deficits of Belarus, the regional conflicts surrounding Nagorno-Karabakh or Abkhazia and the problems of Moldova arising from the situation in Transnistria, which are making general political and economic progress more difficult. The Wider Europe Strategy is seen as reflecting the EU's most important task of contributing to peace, security, democracy and economic stability wherever this is at all possible.

Moreover, the Parliament declares that:

The new frontier of the enlarged Union should be regarded as a positive opportunity for the countries and regions directly affected, aiming at building up a network of deepened relations; therefore considers that it should be the

22 European Parliament on Wider Europe - Neighbourhood: a New Framework for our Relations with our Eastern and Southern neighbours (CdR 175/2003 fin).

task of the European Union to develop with these countries and regions a comprehensive and effective neighbourhood concept, capable of furthering the search for more effective solutions to the problems posed by interdependence and globalisation” and that “it is necessary to define a coherent system for relations comprising the 25 Member States of the enlarged Union, those countries whose future entry into the Union has, in whatever terms, been agreed, and those whose potential for entry is not yet decided, and all the Union's other neighbours, to be based on respect for human rights, democracy and the rule of law, dialogue between cultures and religions and co-development by means of convergent policies giving special attention to the differing sub regional realities”.

In conclusion, the Wider Europe Communication proposes a set of goals that the EU should pursue when relating with future neighbour countries. It recognizes that strengthening relations in the economic and political fields would be beneficial both for the EU and for these countries, also in the field of security. However, this Communication seems to be a mere political statement that tries to encourage stronger relations with partner countries. On the whole it remains vague and does not conceive a well-structured approach toward the neighbourhood, nor does it state the means and instruments to conduct this policy. Action Plans were already in place with countries of Eastern Europe, and the Communication is just an attempt to give a comprehensive view of the EU's approach toward all the new neighbours. Rather than a strategic document, it can be considered an attempt to promote the institutionalization of EU's relations with neighbour countries. However, Wider Europe 'basics' were rooted in a false belief that the recipe for enlargement, namely that conditionality incentives generate lasting reforms, can be replicated even though the main carrot – EU membership – was missing. This belief would be at the basis of all the EU initiatives in the region in the following years.

1.1.1.2 European Security Strategy

In the same year of the Wider Europe initiative, the EU also adopted the European Security Strategy (ESS) - at the EU Council of 13 December 2003. The Strategy provides the conceptual framework for the Common EU Foreign and Security Policy, including what would later become the Common Security and Defence Policy. Titled '*A Secure Europe in a Better World*', the ESS is a brief but comprehensive document which analyses and defines for the first time the EU's security environment, identifying key security challenges and subsequent political implications for the EU. The European Security Strategy offers a common view of the nature of current international security environment, the EU's role within it, the shared perception of the most serious threats, the most important opportunities in that security environment and appropriate policy responses that the EU should adopt in dealing with them²³. It was an initial attempt to think through the broader political objectives behind the CFSP as it aims at the harmonization of the different views of the member states over EU's security. From this document we can see the EU's perception of the world order, and derive many provisions that also regard the prospects of developments in the neighbourhood. In the introduction, the ESS highlights that, in the new international environment where there are no more threats of invasion as in the Cold War, the EU will have to face challenges and threats coming from abroad, mainly of a new nature. The ESS depicts an unpredictable international security landscape, that combines fairly conventional challenges, like the potential regional conflicts, trans-national terrorism, proliferation of weapons of mass destruction, organized crime and failed states, with relatively new threats such as cyber-attacks, piracy, scarcity-fuelled tensions, climate change-induced catastrophes and risks of militarization of global commons. Such global trends entail both challenges and opportunities for EU foreign policy: more plurality among world powers will reshape Europe's geopolitical dimension, but it also offers a valuable opportunity to advance EU's commitment to collective governance solutions. External threats may impact Europe's security given its geographical proximity to several sources of instability and the relative openness of its societal models. That is why the ESS recognizes that the EU needs to make use of

23 Cfr. Kaya (2009).

all the resources at its disposal to address the new threats and to make the most out of this challenging and fast-changing situation²⁴.

Focusing on the aspects that are relevant for the present analysis, the strategy recalls that enlargement brings the security challenges of the neighbourhood closer to the EU, with the increased fear that the problems associated with weak states, such as organized crime, violent conflict, illegal immigration and terrorism will spill over into the EU²⁵.

It is in the European interest that countries on our borders are well-governed. Neighbours who are engaged in violent conflict, weak states where organised crime flourishes, dysfunctional societies or exploding population growth on its borders all pose problems for Europe. The EU task is to promote a ring of well governed countries to the East of the European Union and on the borders of the Mediterranean with whom we can enjoy close and cooperative relations.

In order to address these challenges, the formula of the EU is to “think globally and to act locally”. Considering the path of the EU enlargement, the Security Strategy states that it is not in the EU interest “*that enlargement should create new dividing lines in Europe*” and affirms that the EU needs to extend the benefits of economic and political cooperation to its neighbours in the East while tackling political problems there. In particular, the EU strategy intends to ensure security in the neighbourhood, a goal that can be reached through the extension of democracy and rule of law in neighbouring countries:

The best protection for our security is a world of well-governed democratic states. Spreading good governance, supporting social and political reform, dealing with corruption and abuse of power, establishing the rule of law and protecting human rights are the best means of strengthening the international order.

The Strategy describes the EU as the main provider of aid and grants to neighbouring countries, potentially able to help them in reaching good governance through development programmes, conditionality and targeted trade measures. The EU goal is thus to promote reforms in neighbour countries to stabilize them and to increase security at its borders. According to Christou, within the normative/duty security narrative, the EU emphasised ‘nearness’, ‘cooperation’ and ‘friendship’ with neighbours in the pursuit of extending the European peace project. Indeed, the central aim of the policy was to ensure stability, prosperity, shared values and the rule of law along EU borders through exporting the EU’s ‘normative’ model because it had a duty to do so, not only for the EU and its Member States, but also its neighbours²⁶. Through such a narrative the emphasis is no longer on any understandings of common security challenges or cooperative partnership implying an equal and symmetrical relationship. Rather it is more about an asymmetrical relationship and the imposition of the EU’s norms and values through the EU’s hierarchical development model in order to address what it has identified as the main threat to itself²⁷. Thus, there exists a heavy dose of self-interest through the projection of such a narrative, and the tolerance of other cultures and values is only secondary to the achievement of security for the EU space rather than any broadly conceived European continent or community. A similar claim is made by Diez (2005: 625), that states that the EU pursuit of norms and values masks its pursuit of economic and strategic interests. Brussels’ aim would be to use material power capabilities to exert direct influence over other actors and shape its external environment. As the Strategy says, the instruments at the disposal of the EU to realize its objectives are *political, diplomatic, military and civilian*, as well as trade and development activities and finally military and civilian capabilities from Member States.

24 Cfr. Dialer (2014).

25 Cfr. Christou (2010).

26 Cfr. Christou (2010).

27 Cfr. Christou (2010).

The Strategy is seen as the EU's first attempt to give a comprehensive vision of how it sees the international security environment and the threats that it has to face in the post-Cold War world. Since the publication of this strategy, the security dimension has been seen the main driver of the EU's approach toward the neighbourhood. As Hill and Smith wrote, the EU's internal security policy has developed an international dimension and shapes the EU's external actions²⁸. EU member states have recognized that, as threats are increasingly transnational, such must be the EU's response. For the EU security is considered the first condition for development, that is why so much emphasis is put on the establishment of global peace and security and on the creation of stability in the neighbourhood. As EU borders have come closer to new neighbours, the EU has recognized the need to externalize its security policy to these countries by exporting its internal security *acquis* as a way to enhance its own safety. The EU values-security rhetoric suggests that on the one hand, the EU projects its own security as being dependent from events in the region, while on the other hand, for the EU, security in the neighbourhood is equated as the sum of economic prosperity and socio-political stability as well as democratic reforms.

There have been many claims that the 2003 document was hardly a statement of EU's strategic purpose. Many scholars maintain that the objective the EU is pursuing in relation to its neighbours is mainly to externalize or reproduce its own system of governance to ensure security at its borders²⁹. Literature in this regard relies on assumptions such as 'domestic analogy', which claims that all actors would prefer to see the international environment organized according to their own values and principles (Peters and Wagner, 2005) or 'institutional isomorphism', which refers to actors' attempts to promote their own model by default (Bicchi, 2006: 287). These arguments claim that the ESS only focused on responding to security challenges posed by new threats but did not attempt to analyse the emerging centres of strategic power in the 21st century world, or to probe the shifting dynamics of an embryonic multipolar system. It made no efforts to apprehend the shifts in strategic ambition that were already becoming apparent among a wide range of global players instead of coming itself with the reassuring notion of multiple partnerships. Nevertheless, for the purpose of our analysis, the document is very helpful to understand the EU perception of its neighbourhood and of its role in addressing challenges in neighbouring countries.

1.1.1.3 European Neighbourhood Policy

Another important step for the creation of a EU's common approach toward the Eastern neighbourhood was the creation of the European Neighbourhood Policy (ENP). The Neighbourhood Policy was conceived as a response to challenges and opportunities that derive from the EU enlargement, as well as a way to realize the objectives of the Security Strategy. With ENP the EU acquired its first institutionalized approach toward its neighbourhood. As we will see in the second chapter, this initiative was designed to give a comprehensive framework to EU's relations with its neighbouring countries, following the proposal of the Wider Europe Communication. Despite the documents that gave birth to this policy are mainly of a technical and economic nature, they also contain provisions on the EU strategic approach toward the neighbourhood, including EU goals and strategy in the region.

The Communication from the Commission³⁰ of May 2004 is one of the main documents that led to the shaping of the European Neighbourhood Policy. As in the documents seen above, the Commission Communication was addressed to Russia but not yet to the three countries of the Caucasus. Recalling the previous documents, the Communication emphasizes the role of the EU 2004 enlargement in bringing the EU closer to its new neighbours. The objective of the ENP is "to

28 Cfr. Hill (2011).

29 Cfr. Barbé (2005).

30 The full text of the Communication is available at the following link [accessed 21/04/2016]: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52004DC0373&from=EN>

share the benefits of the EU's 2004 enlargement with neighbouring countries in strengthening stability, security and well-being for all concerned". Like the previous two documents, the main goal of the EU lies in the stabilization of the neighbourhood. This would be reached through the creation of a "ring of friendly countries" around the EU, that share the EU's values and objectives, and that should be *"drawn into an increasingly close relationship, going beyond co-operation to involve a significant measure of economic and political integration"*. The EU is willing to institutionalize its relations with neighbour countries and to regulate areas of bilateral and multilateral cooperation. The aim of the Neighbourhood Policy is to *"offer a means to reinforce relations between the EU and partner countries, which is distinct from the possibilities available to European countries under Article 49 of the Treaty on European Union."* The document offers to neighbours the chance to participate in various EU activities, through greater political, security, economic and cultural co-operation. According to the Communication, this will bring enormous gains to all countries involved, in terms of increased stability, security and well-being.

The EU should *"work with the partners to reduce poverty and create an area of shared prosperity and values based on deeper economic integration, intensified political and cultural relations."* The added value of the ENP compared to the previous bilateral relations is that it offers a means for an enhanced and more focused policy approach of the EU towards its neighbourhood, bringing together the principal instruments at the disposal of the Union and its Member States. Moreover, the document says, it will contribute to further advancing and supporting the EU's foreign policy objectives. Hence, the EU's approach towards its eastern vicinity can be interpreted as an extension of the internal 'European project' aiming at preserving its security, stability and prosperity, because the EU perceives events in the region as having a direct impact on its internal order. As many commentators noted, there was nothing new about the challenges in the region, but the transformation of the EU's contextual environment triggered a process of change in its perceived threats.

The method that the EU follows is the same as the Wider Europe: giving incentives to partner countries in exchange for internal reforms and *acquis* adoption. The ENP is intended to encourage reforms that will bring benefits to neighbour countries in terms of economic and social development, leading to the convergence of economic legislation, the opening of partner economies to each other. Like the Wider Europe Communication, the membership perspective is deferred, and ENP's principal offer to the neighbours is that they will have a share in the internal market of the Union as they progressively adopt EU regulation, that would reduce non-tariff barriers to trade. The EU modelled the ENP on enlargement process, but using conditionality that replaced the benchmarking approach. In the case of CEECs, the EU promoted a process of harmonization, guiding their commitments to legislative reforms and obligations to incorporate the whole *acquis*. The issue of legal approximation became a core issue in the domestic political agenda of candidate countries³¹. In the same way, in the EU Neighbourhood Policy, the concept of legislative approximation was now formulated as a clear objective and a condition for closer economic integration, in contrast with the vaguely formulated PCA approximation clause.

For the European Union, spreading its regulation throughout its neighbourhood brings obvious advantages both in economic terms but also from the point of view of anchoring democracy, the market economy and stability in the region. ENP also offers closer co-operation in many policy areas, improved political dialogue, and a limited rise in financial assistance from the Union. Furthermore, it contains the promise of an upgraded bilateral relationship if conditions are met, without however specifying what sort of bilateral agreements ENP countries should expect, and without making any mention of their future membership of the Union. The document also sets out a process for the implementation of these objectives. The Action Plans with single countries, which are to be developed on the basis of the principles set out in the Communication, are the first

31 Cfr. Elsuwege (2014).

step toward the realization of these objectives, and should define the way ahead over the next years. Once more, the notion of values is considered of fundamental importance for the EU. The privileged relationship with neighbours, according to the document, must be built on mutual commitment to common values “*principally within the fields of the rule of law, good governance, the respect for human rights, including minority rights, the promotion of good neighbourly relations, and the principles of market economy and sustainable development*”. The Action Plans draws on a common set of principles but are differentiated for each country, reflecting the existing state of relations that the EU has with each country, and the various countries’ needs and capacities, as well as common interests. The next step should consist in the negotiation of European Neighbourhood Agreements, once Action Plan priorities were met. Finally, progress made in this way will enable the EU and its partners to agree on longer term goals for the further development of relations in the years ahead.

It has been argued that the threat/risk security narrative that pervades the ENP documents provides for an engagement logic based on the purpose of managing the risks, threats and potential security problems prevalent within the poorly governed neighbourhood³². Barroso often said that in its actions towards the neighbourhood the EU was promoting its values but also defending its security interests³³. For other scholars, ENP is not about security but it shows the EU role of a “normative power”³⁴, since EU’s foreign policy goals in the neighbourhood are in line with its role of promoter of norms and values in the international arena.³⁵ The EU can thus be defined “a post-modern actor”, which acts on the belief that cooperating with third world countries is the best means to pursue EU interests³⁶. The Former EU Commissioner for External Relations, Benita Ferrero-Waldner, pointed out that “*The respect for universal human rights, the rule of law and the promotion of democracy have for decades been at the very core of EU foreign policy. We use our foreign policy tools - aid, trade, and economic agreements - to promote human rights and good governance in every corner of the globe.*” Therefore, the EU uses its normative tools to encourage partner countries to conduct reforms leading to a path of democratization and acquisition of the *acquis communautaire*³⁷. Traditionally, EU transformative engagement in neighbour countries is based on EU export of *acquis communautaire*, that is what happened with the enlargement in Eastern Europe. In advancing its rules the EU is always bound by the fundamental values on which it is built, through the conditionality principle: if these countries comply with EU norms and standards, they will get rewards from the Union. The three key assumptions plaguing the promotion of EU values in the context of pre-accession were then transferred to the ENP plane: the assumption of correlation between *acquis* and values, the assumption of the effectiveness of conditionality in areas not covered by the *acquis* and the assumption of achievability of the ring of friends’ objective through the combination of the promotion of EU law and the application of the conditionality principle³⁸. In this vein, many have criticized the ENP for being a ‘centre-periphery’ project where the blurring of EU’s boundaries is designed to the Union’s own advantage, and not for resolution of the neighbour’s socio-economic problems³⁹.

In conclusion, ENP was the first effective initiative that the EU conceived to institutionalize its relations with neighbour countries. It gave directions to the EU approach toward neighbouring countries and tried to define a comprehensive approach toward the neighbourhood, outlining EU goals, priorities and strategy. However, although ENP was the subject of a ‘hard-sell’ by the European Union, it has not been universally welcomed by the Union’s neighbours. A major

32 Cfr. Christou (2010).

33 Cfr. Korosteleva (2012).

34 Cfr. Manners (2002).

35 Cfr. Manners (2002).

36 Cfr. Tocci (2008).

37 Cfr. Elsuwege (2014).

38 Cfr. Kochenov (2014).

39 Barbé (2009).

criticism has been that applying the same policy to an extremely heterogeneous group of countries cannot possibly be satisfactory to all or perhaps any of them. Basically, the transition economies of Eastern Europe have little in common with the countries of North Africa. The high level of heterogeneity between the ENP states, as well as their wide geographical spread meant that there was little in the way of joint projects or policies which were likely to be of value to all the neighbours. The ENP's "one size fits all" past approach, which enabled compromises among the various interests of different EU member states, limited the EU's ability to be a transformational actor in the Eastern Neighbourhood. It prevented the EU from capitalizing on its gravitational force for the post-Soviet countries in Eastern Europe, and it also overlooked the asymmetry of expectations and interests between the EU and its partners in the South as well as in the East.

1.1.2 2008 - 2014

As I said, the war in Georgia represented a turning point for EU's approach toward the Eastern neighbourhood. If the period from 2000 to 2008 was characterized by the EU's attempts to institutionalize its relations with neighbours after the 2004 enlargement, the following period was marked by the EU's efforts to differentiate its approach toward Eastern and Southern neighbours. To lead this process of differentiation were some EU new members, like Poland. Already some years after the launch of ENP, the EU realized that the European Neighbourhood Policy did not bring the expected results. An approach that put together both Southern and Eastern neighbours was too vague and critics started to emerge regarding the one-size-fits-all policy. If the re-thinking of a EU approach toward the neighbourhood started at the beginning of 2008, it was the war in Georgia that definitively gave a boost to the EU internal procedures, and convinced more reticent EU members that the Eastern neighbourhood needed a more incisive support from the EU side. The years from 2008 to 2014 were thus dedicated to the realization of the Eastern dimension of the EU neighbourhood policy, to increase differentiation from the Southern neighbours and to give these countries a sense of inclusion in EU initiatives. That was the main goal of the EU's approach toward the Eastern neighbourhood from 2008. In that year, the Eastern Partnership initiative was conceived as the Eastern flank of the Neighbourhood Policy, giving a specific regional characterization to EU initiatives toward the East. At the same time, in 2009 the Lisbon Treaty entered into force, providing the legal framework for EU's actions in the neighbourhood.

1.1.2.1 Eastern Partnership

After 4 years from the launch of ENP, the EU realized that it needed to differentiate its policy toward the Southern and Eastern neighbourhood, and that it needed a more coherent and focused approach toward the East. Since Russia had decided to opt out from the ENP to pursue the Strategic Partnership with the EU, not only did the EU exclude Russia from the new initiative, but it also conceived it almost in an anti-Russian function. Eastern Partnership initiative (EaP) was launched in 2009, soon after the war in Georgia, that had attracted the attention of the international community on the Caucasus. The new initiative, proposed by Poland, abandoned the idea of including Russia among EU Neighbourhood Policy, and was addressed to countries of Eastern Europe and the Caucasus with the aim of reinforcing EU relations with these countries. The concrete policies of EaP will be examined in the next chapter, while here I will focus on Eastern partnership as a development of the EU strategy toward its eastern neighbourhood.

One of the most important and programmatic document of the initiative is the Communication from the Commission to the European Parliament and the Council of December 2008⁴⁰, that

⁴⁰ The text of the Communication is available at the following link:
<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52008DC0823&from=EN>

enunciates the main principles on which the initiative should be based. Taking inspiration from the Polish-Swedish proposal of the same year, the Commission proposal on the Eastern Partnership states that *'Eastern Partnership should be the EU strategic concept for the six Eastern neighbours'* and it should be viewed as *'a long-term and enhanced EU policy and engagement in the region of eastern Europe'*. This is a more precise and assertive statement compared to the previous initiatives that the EU had launched in the neighbourhood. As the previous documents, the Commission's proposal notes that the European Union has a vital interest in seeing stability, better governance and economic development of its Eastern neighbours. The Union's policy towards them must be proactive and unequivocal:

The EU will give strong support to these partners in their efforts to come closer to the EU, and will give all necessary assistance with the reforms this entails, through a specific Eastern dimension within the European Neighbourhood Policy (ENP).

With the launch of the Eastern Partnership Initiative, the EU strategy gradually acquired a more pronounced region-building narrative⁴¹. In the Commission's view, the EU has a growing responsibility toward its partners, and it has to help them addressing the political and economic challenges that they face by supporting their aspirations for closer ties with the EU. The goals of EaP is to bring a lasting political message of EU solidarity, alongside additional, tangible support for their democratic and market-oriented reforms and the consolidation of their statehood and territorial integrity. This will ensure stability, security and prosperity of the EU, its partners and the entire continent. These provisions reflect partner countries' concerns over Russia, especially after the war in Georgia. The security dimension is heavily stressed in the document, on the model of the ESS and the ENP: *"The European Union has a vital interest in seeing stability, better governance and economic development at its Eastern borders"*. Also the EU Commissioner Benita Ferrero-Waldner's asserted that *'Eastern Partnership will bring stability and prosperity dividends to European citizens for generations to come'* and Eastern partnership *"serves the shared commitment to stability, security and prosperity of the European Union, the partner countries and indeed the entire European continent"*⁴². Similar to the previous documents and initiatives, there is also the EU commitment to "shared values". *"The EaP will be based on mutual commitments to the rule of law, good governance, respect for human rights, respect for and protection of minorities, and the principles of the market economy and sustainable development."* Similar programmatic affirmations were expressed in the Joint Declaration for the Launch of Eastern Partnership at the Prague Summit of 2009⁴³:

The main goal of the Eastern Partnership is to create the necessary conditions to accelerate political association and further economic integration between the European Union and interested partner countries. With this aim, the Eastern Partnership will seek to support political and socio-economic reforms of the partner countries, facilitating approximation towards the European Union. This serves the shared commitment to stability, security and prosperity of the European Union, the partner countries and indeed the entire European continent. The Eastern Partnership should further promote stability and multilateral confidence building.

Compared to previous documents, EaP promised a new ambitious partnership, based on a flexible and tailored approach to each partner needs and capacities. The objectives of the Eastern Partnership include deep and comprehensive free trade, legal adaptation, deep cooperation in various areas, notably visa facilitation. Seen in the broader perspective of the EU policy towards Eastern Europe, these objectives are not really new. In particular, they are important elements of the

41 Korosteleva (2015).

42 The text of the speech is available at the following link: http://europa.eu/rapid/press-release_SPEECH-09-112_en.htm?locale=en

43 The Joint Declaration is available at the following link: http://europa.eu/rapid/press-release_PRE-09-78_en.htm

existing EU ENP toolkit. In the same vein, while the multilateral and regional dimension, and particularly the idea of creating a regional FTA, appears to be a novelty, it has also been envisaged in the context of the ENP. As in the ENP, in Eastern Partnership the EU offers a stronger stance in its internal market and financial support to stimulate economic, political and social reforms, as well as security cooperation in the neighbourhood, in order to address the root causes of instability, crisis and conflict. The clear aim of both proposals is to pursue actively the political and economic integration of Eastern Europe with the European Union, with the ambition of reaching complete integration into the internal market of the Union. The document says that *'the EU and its partners may reflect on a broader regional trade approach establishing a Neighbourhood Economic Community, taking inspiration from the European Economic Area where appropriate'*. The final step, as initially conceived, was to bolster the formation of a Neighbourhood Economic Community, as part of the EU-centred inter-regionalist strategies⁴⁴. The objective of trade liberalization on the basis of legal approximation received a major boost in the context of the EU 2006 "Global Europe Strategy", the EU's new trade policy. According to this strategy, the EU would seek to go beyond WTO commitments in promoting trade liberalization and integration, tackling issues that are not yet ready for multilateral discussions. All this must go together with the commitment of these countries to "shared values" – once again repeated in the document:

The Eastern Partnership is based on a community of values and principles of liberty, democracy, respect for human rights and fundamental freedoms, and the rule of law. All countries participating in the Eastern Partnership are committed to these values through the relevant international instruments.

To reach the new goals of the Eastern Partnership initiative, the EU launched a new generation of Association Agreements, that aimed at promoting free trade agreements that included liberalization of services and investments and abolition of non-tariff barriers through regulatory convergence in issues like intellectual property rights, competition law, rules of origin, labour standards⁴⁵. The aim of these agreements is to achieve political association and economic integration through extensive legislative and regulatory approximation leading with convergence with EU standards and norms⁴⁶. The new form of Association Agreements, according to the Communication, is intended to create a strong political bond and promote further convergence by establishing a closer link to EU legislation and standards. The content of the agreements varies and will be differentiated according to partners' objectives and capacities. Essential for the success of the initiative is the commitment from the EU to accompany more intensively partners' individual reform efforts. As the Communication says, *"Joint ownership is essential, and both sides of the EaP have their responsibilities. Only with strong political will on both sides will the EaP achieve its objective of political association and economic integration"*.

As the ENP, Eastern Partnership is based on agreements that ensure rewards from the EU side if these countries comply with the provisions of their Association Agenda. The Association Agendas contain a number of priorities intended to strengthen commitment to "shared values", including strengthening democracy and the rule of law, fight against corruption and organized crime; respect of human rights and fundamental freedoms, core labour standards, support for the development of civil society. Commitments will also be sought to certain essential aspects of the EU's external action, including, in particular, the fight against terrorism and the proliferation of weapons of mass destruction, as well as abidance by international law and efforts to achieve conflict resolution.

The level of the EU's ambition in developing links with each partner through Eastern Partnership takes into account the extent to which common values are effectively shared. In order to respect the different levels of partner countries in their sharing of EU values and norms, Eastern

44 Korosteleva (2015).

45 Cfr. Elsuwege (2014).

46 *Idem*

Partnership is based on the principle of differentiation, according to which the EU promotes “a much higher level of differentiation allowing each partner country to develop its links to the EU as far as its own aspirations, needs and capabilities allow”. The possibility of multiple speeds allows different countries to integrate in different policy areas or at varying degrees of cooperation. That is why in 2011 the Commission presented the “more for more” approach, meaning that the more partner countries are committed with reforms, the more they will receive attention and support from the EU. In this sense, legislative approximation was perceived crucial to maintain and enhance good political and economic relations. Closer cooperation with the EU was granted in return for concrete progress demonstrating shared values and effective implementation of political, economic and institutional reforms, including aligning legislation with the *acquis*. The same goes with Eastern Partners, even though they do not have the membership perspective as the final aim of this path. EaP works with both incentives (financial aid, preferential market access, interconnected infrastructure, suspension clause) and instruments based on persuasion (joint ownership) to sponsor reforms in partner countries.

An important set of instruments at the EU disposal to encourage reforms are the “transference instruments”, that involve positive transference of financial and technical assistance as well as negative financial and economic measures in the forms of sanctions or trade restrictions (embargoes, anti-dumping measures). Transference instruments of external assistance financed from the EU budget constitute an important tool supporting EU political, economic and social objectives. The means for technical and financial assistance are constantly evolving to reflect a needs-based relationship between the EU and its neighbours. The regional assistance, for example, currently covers over 18 activities, including INOGATE, TRACECA, EU Border Assistance Mission to Moldova and Ukraine, Erasmus Mundus, Twinning, Technical Assistance and Information Exchange and Support for Improvement in Governance and Management. Moreover, the administrative instruments have evolved considerably to reflect a complex nature of EU governance, and currently offer hierarchical and networked (horizontal) means of interactions⁴⁷. On the other hand, there are also negative transference instruments which consist mainly of economic sanctions, including embargoes, anti-dumping measures in trade policy and indirect transferences, such as externalities derived from the adoption of EU technical regulations and standards (difficult access to third markets and the negative impacts of fast liberalisation on emerging industries). Since now, the EU has mainly used these instruments in a positive manner, for example lifting restrictions concerning trade of specific goods with some neighbouring countries, although sanctions have also been in use. At the same time, a multilateral track “*will provide a new framework where common challenges can be addressed*”. Four policy platforms are proposed regarding democracy, good governance and stability, economic integration and convergence with EU policies; energy security; and contacts between people. The multilateral track will also advance through a number of flagship initiatives supporting the aims of EaP.

In conclusion, the Eastern Partnership initiative can be considered as a development of ENP, since it took from its predecessor – that remained valid – the main goals and the basic approach toward the neighbourhood. What changed was the method used to relate with partner countries. EaP was more based on the needs of the Eastern neighbourhood, and of single countries. It also introduced the more-for-more approach to give incentives to partner countries if they comply with EU norms and regulations. The narrative of “shared values” remained the same as in ENP. On the contrary, the Association Agreements conceived a broader approach to regulate EU relations with partner countries, if compared with the previous Action Plan. Finally, the multilateral dimension was another innovation of EaP, but it hardly achieved the expected results, as we will see in the next chapter. Like the ENP, Eastern Partnership was conceived to institutionalize EU relations with Eastern neighbours, but the geopolitical dimension of the initiative started to emerge as EaP was

47 Cfr. Korosteleva (2013).

launched in response to the war in Georgia. As we will see in the next chapters, Russia considers this initiative as the EU's attempt to extend its sphere of influence in Eastern Europe and the Caucasus.

1.1.2.2 Lisbon Treaty

Another important step for the definition and consolidation of the EU strategy in Eastern Europe and the Caucasus was the enter into force of the Lisbon Treaty, that systematize the discipline of EU relations with its neighbourhood. Entered into force in 2009, the Treaty was designed with the aim of establishing the framework and tools for the EU to "develop a more coherent, effective and visible foreign policy"⁴⁸. The Treaty gave more coherence to the EU's external action and reinforced EU foreign policy through the establishment of the High Representative for Foreign and Security Policy and the European External Action Service. It also reinforced EU policy tools in the neighbourhood, and dedicated a specific part to the legal basis of EU action toward its neighbourhood. According to the Treaty, the goal of the EU in its external relations must be to actively promote human rights and democracy, inter alia, through its financial instruments or human rights dialogues with third countries. Article 3.5 TUE states that "*In its relations with the wider world the EU shall uphold and promote its values and interests*". That the Union follows its internal values in dealing with other countries is one of the basic rules of the EU's foreign policy, as expressed in Article 21 TEU:

The Union's action on the international scene shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law.

The Union shall seek to develop relations and build partnerships with third countries, and international, regional or global organisations which share the principles referred to in the first subparagraph⁴⁹.

In the second paragraph, Article 21 enunciates the main objectives of EU foreign policy, that are the following:

- a) safeguard its values, fundamental interests, security, independence and integrity;
- b) consolidate and support democracy, the rule of law, human rights and the principles of international law;
- c) preserve peace, prevent conflicts and strengthen international security, in accordance with the purposes and principles of the United Nations Charter, with the principles of the Helsinki Final Act and with the aims of the Charter of Paris, including those relating to external borders;
- d) foster the sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty;
- e) encourage the integration of all countries into the world economy, including through the progressive abolition of restrictions on international trade;
- f) help develop international measures to preserve and improve the quality of the environment and the sustainable management of global natural resources, in order to ensure sustainable development;
- g) assist populations, countries and regions confronting natural or man-made disasters;
- h) promote an international system based on stronger multilateral cooperation and good global governance.

The principles that inspired the creation of the EU and its internal development are thus also the guidelines for the formation of the EU's foreign policy. These principles are democracy, rule of law, respect for human rights and fundamental freedoms, equality and solidarity, and respect for

⁴⁸ Cfr. Hill (2011).

⁴⁹ The Treaty on the European Union can be found at the following link: <http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-european-union-and-comments/title-5-general-provisions-on-the-unions-external-action-and-specific-provisions/chapter-1-general-provisions-on-the-unions-external-action/101-article-21.html>

international law. The EU foreign policy means are based on diplomacy, trade, humanitarian aid, and on a secondary level security and defence.

For what concerns the neighbourhood, under the TEU, EU neighbourhood policy is considered as a branch of the European foreign policy with a special position for the EU. For this reason, Article 8 TEU, that refers to the EU actions in the neighbourhood, is situated in the general provisions of the Treaty and not in the Chapter related to EU foreign policy. Article 8 TEU can be considered a specific constitutional base for the export of norms to the neighbourhood. This article derives from the original article I-57 of the defunct Treaty establishing a Constitution for Europe. It was and it is still now included in Part I of the TEU containing all the fundamental provisions of the EU constitutional order. Its location outside the specific part of the TEU devoted to the EU external action is thus a symptom of its both internal and external dimensions. The integrated character was already present in the 2004 document of the Commission, that said that ENP was a comprehensive policy integrating all the three pillars of the Union structure, bringing together the principal instruments at disposal of the Union and Member States⁵⁰. The location of Article 8 in the common provisions also points to the integration of the objective of establishing an area of prosperity around the EU into the policy making of the Union. This has profound implications on the policies of EU institutions, that should take into account the aims of the neighbourhood policy when exercising Union competences. Here is the Article:

The Union shall develop a special relationship with neighbouring countries, aiming to establish an area of prosperity and good neighbourliness, founded on the values of the Union and characterised by close and peaceful relations based on cooperation.

For the purposes of paragraph 1, the Union may conclude specific agreements with the countries concerned. These agreements may contain reciprocal rights and obligations as well as the possibility of undertaking activities jointly. Their implementation shall be the subject of periodic consultation.

The word “shall” indicates that the engagement of the EU with its neighbours is compulsory. In that, the exercise of neighbourhood competence differs from that of enlargement, that is conditional upon the applicant’s compliance with criteria of Copenhagen. Contrary to the enlargement clauses, Article 8 is not subject to conditions, and inaction on the part of the EU could qualify as an unlawful failure to act that could be challenged before the EJC. Article 8 establishes a EU competence with a finalité, the “special relationship” the Union is mandated to develop with the neighbours is a means to establish an area of prosperity and good neighbourliness, founded on the values of the Union and characterized by close and peaceful relations based on cooperation. As Christophe Hillion says, this gives to the EU an explicit transformative mandate, since it establishes a specific EU competence for norms export, enshrines its mandatory character and adjusts its purpose in relation to the neighbourhood specifically. It empowers the Union to develop a special relationship with neighbouring countries, aiming to establish an area of prosperity and good neighbours, founded on the values of the Union⁵¹. By including an explicit reference to the values of the Union, Article 8 is adjusting the language employed in most ENP documents. Article 8 confirms the EU as a normative power in the region, in accordance with art. 3.5 TEU. It also confirms the EU proactive policy of transformation of the neighbouring states, in line with its own values and interests, it is a “neighbouring state-building policy”. It thus combines a transformative mandate and a conditional deepening of relations between the EU and neighbour countries, through the use of all available neighbourhood instruments and initiatives, whether bilateral, unilateral, multilateral, sectorial and comprehensive⁵².

⁵⁰ Elsuwege (2014, chap. 2).

⁵¹ Elsuwege (2014, chap. 2).

⁵² *Idem*

1.1.3 2014 - 2016

As I previously pointed out, the European Union's approach toward the neighbourhood was heavily influenced by the events that occurred during the Ukraine crisis. The crisis marked a fundamental turning point in Russia-EU and in EU-Eastern partners relations. Since the outbreak of the crisis, and with the nomination of Federica Mogherini as High Representative of the European Foreign and Security Policy, the EU started a process of revision of its external action in general. It published a revised version of the Neighbourhood Policy at the end of 2015 and initiated a process of consultation of experts to launch a new European Global Security Strategy.

1.1.3.1 Revision of ENP, 2015

In 2015, European Neighbourhood Policy underwent a process of reform, to be adapted to recent changes in the international environment and in the neighbourhood. 2011 had been the year of the Arab Springs, to which the EU did not manage to give a unitary response, while the year 2014 witnessed the Ukrainian crisis, to which the EU tried to respond in a more coherent way. The decision to reform the ENP was taken in March 2015, after the outbreak of the Ukraine crisis. The "Joint Consultation Paper of the European Commission – Towards a new European Neighbourhood Policy"⁵³ is a programmatic document that gives the guidelines for the main focal points of the ENP reform. The document was designed to launch a broad consultation from March to July 2015 with partner countries, international organizations, social partners, civil society and academia to understand what are the ENP elements that need to be reformed. The Commission received more than 250 written submissions and it canvassed both government and nongovernmental stakeholders behind the scenes. The Consultation paper stresses the importance of a stronger Europe in international affairs and the need to "*step up closer cooperation, association and partnership*" with neighbour countries. It also describes the contemporary neighbourhood as less stable than a few years ago, and in the Eastern neighbourhood it considers Russian policy as increasingly assertive in the area, as the events in Georgia and the on-going conflict in Ukraine showed. Regarding the EU objectives in the neighbourhood, the paper recognizes that the EU "*needs to define more clearly its own aims and interests, while promoting the values on which it is based*". Relevant for our analysis are some questions that the Joint Consultation Document poses to the audience. They mainly regard the geographical scope of ENP, questioning whether it should be maintained and whether the ENP should allow for more flexible ways of working with the "neighbours of the neighbours". This mention of the "neighbour of the neighbour" is frequent in the text as well as in similar documents. Despite Russia is not explicitly mentioned, the document states that "*some partners currently outside the neighbourhood may need to be more closely associated with the ENP*". Also regarding the concept of neighbours of the neighbours, the document asks: "*How can the EU, through the ENP framework, support its neighbours in their interactions with their own neighbours?*" Russia openly enters the discussion when the document asks what could be done better "*to ensure greater coherence between the European Neighbourhood Policy and the EU's relations with Russia and with partners in Central Asia*". These questions, that show the EU increasing concerns regarding the stability in the neighbourhood, were the basis of the review of the ENP that the EU conducted in 2015. The main outcomes of the consultation that took place from March 2015 to November 2015 were that:

- EU partners have different aspirations: EU relations should reflect this more fully;
- The ENP should reflect EU interests and the interests of our partners;

⁵³ The Document can be found at the following link:

<http://ec.europa.eu/enlargement/neighbourhood/consultation/consultation.pdf>

- Partnerships should be more focused on fewer priorities;
- There should be greater involvement of Member States in the ENP;
- Ownership by the partners should be enhanced.

On 18 November 2015, the High Representative for Foreign Affairs and Security Policy and the European Commission presented the main lines of the review of the ENP, spelling out the Union's new approach to its eastern and southern neighbours. The review of the European Neighbourhood Policy is closely coordinated as part of the broader work on the EU Global Strategy on Foreign and Security Policy, that should be ready by June 2016. In the meanwhile, the Riga summit of May 2015 reconfirmed the commitment of EU and its Eastern neighbours to build an ambitious Partnership based on mutual interests and shared values⁵⁴. Moreover, the Summit participants reaffirmed the sovereign right of each partner to freely choose the level of ambition and the goals to which it aspires in its relations with the European Union. The final document of the Summit mentions the changed situation in Ukraine, one year after Russian takeover of Crimea. It states that *"The acts against Ukraine and the events in Georgia since 2014 have shown that the fundamental principles of sovereignty and territorial integrity within internationally recognised borders cannot be taken for granted in the 21st century on the European continent."* The EU remains committed in its support to the territorial integrity, independence and sovereignty of all its partners, and reaffirmed its positions taken in the Joint Statement of the EU-Ukraine Summit on 27 April, that condemns the annexation of Crimea and Sevastopol.

After the Summit took place, the EU released the final document on the ENP reform in November 2015: "Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions on the Review of the European Neighbourhood Policy"⁵⁵. This document reiterates the idea that the European Neighbourhood Policy is a key element for both the EU's Common Foreign and Security Policy and other areas of the EU's external action, and it states that the findings of the review should feed in to the development of wider EU policy, in particular the Global Strategy on Foreign and Security Policy. Many commentators noted that in each of the articles of the declaration the EU is either 'reconfirming', 'reaffirming', 'restating' or 'reiterating' in different ways its previous commitments. This has been interpreted as a sign of the unbroken prevalence of the status quo and thus of the ongoing stagnation in EU-neighbourhood relations. Nevertheless, the revision of ENP tried to re-design EU's approach toward the neighbourhood. The EU committed itself to the establishment of a new approach, a re-prioritisation and an introduction of new ways of working. The document notes the huge changes in the EU neighbourhood since the initial launch of ENP: *"conflict, rising extremism and terrorism, human rights violations and other challenges to international law, and economic upheaval have resulted in major refugee flows."* The security dimension has been constantly stressed also by EU Officials' speeches: *"We have to build together a safer environment, try to solve the many crises of our common region, support the development and the growth of the poorest areas, and address the root causes of migration". This is precisely the purpose of the current review of the ENP which will promote our common values and interests, and will also engage partners in increased cooperation in security matters. The measures set out today seek to find ways to strengthen together the resilience of our own and of our partners' societies, and our ability to effectively work together on our common purposes,"* said High Representative Federica Mogherini. *"Our most pressing challenge is the stabilisation of our neighbourhood. Conflicts, terrorism and radicalisation threaten us all. But poverty, corruption and poor governance are also sources of insecurity. That is why we will refocus relations with our partners where necessary on*

54 The Joint Declaration of the Riga Summit can be found at the following link:

http://eeas.europa.eu/eastern/docs/riga-declaration-220515-final_en.pdf

55 The Document is available at the following link:

http://eeas.europa.eu/enp/documents/2015/151118_joint-communication_review-of-the-enp_en.pdf

our genuinely shared common interests” added Commissioner for European Neighbourhood Policy and Enlargement Negotiations, Johannes Hahn. Among the threats to EU security, the document mentions Russian actions in the Ukraine crisis, by affirming that:

In the East, an increasingly assertive Russian foreign policy has resulted in the violation of Ukrainian sovereignty, independence and territorial integrity. Protracted conflicts continue to hamper development in the region. In the meantime, the EU's own interdependence with its neighbours has been placed in sharp focus.

Other concerns for the EU are the growing numbers of refugees that are arriving at the European Union's borders, energy crises that have underlined the EU's need to work with neighbours on energy security, and acts of terror that have affected the EU and the neighbourhood, most recently the heinous terrorist attacks in Paris on 13th November. Proactive engagement with partners in the neighbourhood is considered necessary to address root causes of cross-border threats and to contribute to securing common borders. The main concern for the EU becomes the stabilization of the neighbourhood:

In the next three to five years, the most urgent challenge in many parts of the neighbourhood is stabilisation. The causes of instability often lie outside the security domain alone. The EU's approach will seek to comprehensively address sources of instability across sectors. Poverty, inequality, a perceived sense of injustice, corruption, weak economic and social development and lack of opportunity, particularly for young people, can be roots of instability, increasing vulnerability to radicalisation.

Compared to the previous version of the ENP, the emphasis of the revision is on stabilization rather than shared values and principles. To address security issues, the EU stresses its commitment to reinforce ties with partner countries and to work together to build an area of shared stability and prosperity and to address new challenges in the neighbourhood. Also, compared with the former version, the 2015 one registers a change in priority areas for the EU. When presenting the new initiative, Miss. Mogherini singled out the five pillars of the work that has started: *"First, focus on economic development and job creation; second, cooperation on energy; third, security; fourth, migration; fifth, neighbours of the neighbours"*. The measures set out today, underlined Mogherini, *"seek to find ways to strengthen together the resilience of our and our partners' societies, and our ability to effectively work together on our common purposes"*. Regarding the EU approach toward the neighbourhood, the review document says that *"The public consultation has demonstrated that while the offer of a closer relationship with the EU for those countries which have undertaken governance reforms has encouraged change in some countries, current practice and policy has been regarded by other partners as too prescriptive, and as not sufficiently reflecting their respective aspirations. The consultation has further indicated that ownership by both partners and EU Member States needs to be stepped up; that cooperation should be given a tighter, more relevant focus; and that greater flexibility must be sought to enable the EU and its partners to respond to ever changing needs and circumstances."* The revised ENP is more focused on partner countries' interests than earlier versions, which were heavily premised on the idea that neighbouring countries should transform themselves into liberal democracies in the EU's image. Differentiation and greater mutual ownership are further key elements of the new ENP, recognizing that not all partners aspire to comply with EU rules and standards, and reflecting the wishes of each country concerning the nature and scope of its partnership with the EU. Hence, the EU has retreated from proposing models for its neighbours, instead concentrating on cooperation in areas where there are concrete interests on both sides. The result is that European interests, especially regional stability, security and controlled migration, are outlined much more explicitly than before. Mutual interests in trade, investment and energy cooperation are also highly prominent, as they have been since the beginning of the ENP. The revised policy was based on the revision of some of the key aspects of the ENP, such as its "one size fits all" approach to the neighbourhood. In keeping with the spirit of pragmatism, the EU's positions on the most politically sensitive issues, such as conditionality,

cooperation with authoritarian regimes, and the access of neighbouring country citizens to the EU labour market, are not clear and unambiguous. Close cooperation with neighbours on policing, border security and counter-terrorism, which has been going on for years, has been intensified and is discussed more openly than in the past. Moreover, the document recognizes that the incentive-based approach ("More for More") has not proven a sufficiently strong incentive to create a commitment to reform, where there is not the political will. In these cases, the EU will explore more effective ways to make its case for fundamental reforms with partners, including through engagement with civil, economic and social actors.

The approach of the EU towards these countries has thus changed. *"We should switch from the idea that the European Union is at the centre, surrounded by the neighbouring countries, to the idea of a new partnership based on cooperation"*, said Mogherini. *"A stronger partnership with our neighbours is key for the European Union, while we face many challenges within our borders and beyond,"* Mogherini added. *"We are confronted with threats that are global and have to be tackled by the international community in a united way. We have to build together a safer environment, try to solve the many crises of our common region, support the development and the growth of the poorest areas, and address the root causes of migration."* In keeping with the spirit of pragmatism and in pursuing common interests, the EU's positions on the most politically sensitive issues, such as conditionality, cooperation with authoritarian regimes, and the access of neighbouring country citizens to the EU labour market, are not clear. However, the review's explicit focus on interests does not mean that the EU has abandoned its values entirely. References to democracy, good governance and human rights remain prominent, and there is specific focus on programmes that support the judiciary, accountable public administration and civil society, which are all areas where the EU has extensive expertise. The EU will uphold and continue to promote universal values through the ENP, seeking more effective ways to promote democracy, human rights, fundamental freedoms and rule of law. Therefore, the most political idea at the heart of the ENP – the transformational power of Europe – has all but disappeared amid all the realism⁵⁶.

1.1.3.2 EU Global Strategy on Foreign and Security Policy

The final step for the consolidation of the EU foreign policy strategy is the launch, in June 2016 of the EU Global Strategy. In June 2015 the European Union's High Representative for Foreign Affairs and Security Policy, Federica Mogherini – presented her strategic assessment of the global context to EU leaders. They asked her to prepare an EU Global Strategy on Foreign and Security Policy to guide the European Union's global actions in the future. The document is the outcome of a broad reflection phase on the strategic outlook for the European Union's global action⁵⁷. In her assessment of the current global environment, the High Representative made the case for a strategy to steer the Union's global action and set priorities: *"The EU must confront both the challenges and the opportunities that come with its changed environment"* Mogherini argues in the report. *"The very nature of our Union gives us a unique advantage to steer the way in a more complex, more connected, but also more contested world."* The High Representative stressed that current global trends make it necessary for the EU to adapt and set out its course ahead: *"The world is more connected than at any point in the past, the same is true for the European Union. An effective response hinges on the European Union's ability to make choices and prioritise areas where it can and wants to make a difference. The European Union does not have the luxury to turn inwards. We have a responsibility to protect our citizens while promoting our interests and universal values."* Mogherini argues in the report. To do this, it will be essential to work even more closely

56 Cfr. Schafer (2015).

57 An overview of the EU Global Strategy can be found at the following link:

<http://europa.eu/globalstrategy/en/global-strategy-foreign-and-security-policy-european-union>

together at European level and with partners around the globe: *“The European Union has all the means to be an influential global player in future – if it acts together. In a world of incalculable risk and opportunity, crafting effective responses will hinge on the Union's ability to adjust, react and innovate in partnership with others. We need a common, comprehensive and consistent EU global strategy.”*

In the Strategic Review - that is the preparatory document for the preparation of the EU Global Strategy - the EU recognizes that since the 2003 Security Strategy the EU's strategic environment has changed radically. For the first time ever, the strategy tries to give a comprehensive outlook of the world order, including challenges and emergent trends. *We live in an age of global power shifts and power diffusion.* The EU recognizes that the age of dominance of a single country is over, and emerging powers are rising but they are unlikely to form a single and cohesive bloc. Moreover, different regions display different configurations of power, while globally power is diffusing beyond the nation state towards a network of state, non-state, inter-state and transnational actors. In the security sphere, the EU is concerned with the fact that it is surrounded by an arc of instability, due to conflicts in Africa and security tensions in Asia, while climate change and scarce natural resources harbour the risk of more conflict. The EU must confront both the challenges and the opportunities that come with its changed environment. It has *“a responsibility to protect our citizens while promoting our interests and universal values”*. Regarding the neighbourhood, the Global Strategy affirms that:

The EU needs to continue to support reform in the Western Balkans, Turkey and the Eastern partners through integration and association policies, respectively. We also need to develop foreign policies that engage Turkey on issues of common interest; that strengthen the statehood of our Eastern partners; that respond firmly to destabilising actions on our borders, while also engaging Russia to restore a sustainable European security architecture and address global challenges.

Regarding the Atlantic Partnerships, the proposals reiterate that the EU needs to continue investing in a strong and sound privileged relationship across the Atlantic through closer cooperation between the EU and NATO and through the Transatlantic Trade and Investment Partnership. However, despite these positive proposals, the new initiative recognizes that the EU in the last years has lost the capacity to address global problems:

In the Common Foreign and Security Policy, the EU has lost salience and momentum in a few areas – for instance, the ‘strategic partnerships’. In disarmament and arms control, the EU's approach, conceived in a post-Cold War environment, needs to respond to 21st century realities. Similarly, in the Common Security and Defence Policy, although the December 2013 European Council underlined that ‘defence matters’, the current level of ambition and capability targets are not tailored to the degraded strategic environment. Enlargement is a policy whose sense of direction is openly contested.

Regarding the neighbourhood, the EU recognises the little success of its leverage instruments to convince these countries to comply with EU norms:

In trade and development policy, the EU potentially wields significant power. Yet, the EU's declining economic dynamism, the high demands it makes on its trading partners, and what it is willing to offer may be hampering its leverage. Leverage is a challenge also within the European Neighbourhood Policy, particularly when it comes to neighbours that have little interest in endorsing EU standards.

Later on, the Document dedicates a specific part to Eastern Partners, by stating that:

To the east, our neighbours suffer from economic, political and energy-related vulnerabilities. Russia has actively destabilised some of them by undermining their freedom, sovereignty and security. Beyond the imperative of fostering democracy, human rights (including the rights of minorities) and good governance, the conflict over Ukraine underlines the need to bolster the statehood prerogatives of our neighbours. These include recognised and protected borders, a

sustainable fiscal capacity, as well as functioning customs services and police and military forces. What is at stake is peace on our continent.

In the paragraph dedicated to challenges and opportunities for the EU, the first part is addressed to the EU neighbourhood. The document notes that in eastern and south-eastern Europe the EU retains substantial influence and is able to generate positive change. The EU recognizes that its role has been instrumental in bringing about the stabilisation and demilitarisation of the Western Balkans and the Serbia-Kosovo dialogue and in fostering reforms in Turkey. Beyond enlargement, the EU's power of attraction persists in parts of the eastern neighbourhood. But the EU's 'soft power' is waning as the memory of the 'big bang' enlargement recedes and other actors strive for influence in its neighbourhood. In particular, the document says that in those eastern neighbours seeking closer ties with the EU, the Union has a unique role to play to support political, economic, governance and broader societal reform. At the same time, the conflict over Ukraine, Europe's energy security challenges, and Turkey's rise as a regional power all highlight – in different ways and to different degrees – the imperative of forging a genuine common foreign policy that includes but is not limited to an accession or association policy:

Our approach towards our eastern partners needs to include robust policies to prevent and resolve conflict, bolster statehood along with economic development, and foster energy and transport connectivity. And our policy towards Russia needs to prevent new dividing lines by combining a firm response to destabilising actions at and within our borders with engagement to rebuild a sustainable European security order with which all are at ease, while seeking common approaches to global issues.

In conclusion, the revision of ENP of 2015 and the EU Global Strategy that is about to be launched in 2016 provide for a new framework for the EU's action in the international environment. The former conceived a new method to reinforce EU relations with neighbours, focusing on stabilization rather than values. The latter is intended to provide a broad agenda for EU's action in the international arena, by outlining EU foreign policy priorities and role in the world.

1.2 The Role of Russia in the EU's Strategy

The aim of this section is to analyse the approach that the EU has toward Russia in the context of its neighbourhood policy, and how it developed over the last decades. As I said in the preamble, Russia-EU relations deeply influenced the EU approach toward the Eastern neighbourhood, accelerating or slowing down the process of integration with neighbours. At the same time, Russia-EU relations were influenced by the developments of EU's approach toward the neighbourhood. Here, I will try to reconstruct this trilateral dynamic. This part is divided into three paragraphs. The first one analyses EU's approach toward Russia in the context of EU's approach toward the neighbourhood. Respecting the time framework that I outlined in the introduction, I will point out which was the role that the EU attributed to Russia in each one of the three periods. Then, in the second paragraph, I will focus on the role that the United States had in the formulation of the EU's approach toward the East. In particular, I will consider the role that NATO plays in the EU security dimension, and how this has an impact on EU's relation with Russia. Finally, in the third paragraph I will present the EU conception of Wider Europe, that is the ideal shape that the neighbourhood should have according to the European Union.

1.2.1 EU-Russia-Shared Neighbourhood

The aim of this paragraph is to understand how the EU's approach toward Russia evolved over time in the framework of the Eastern Neighbourhood. Since the 90s, the need to bring Russia into a more inclusive relationship with the EU had long been a goal of EU member states, not least

of Germany. Both the EU's continued integration and its further enlargement have demanded the definition of a more comprehensive relationship with Russia that took into consideration the progressive changes in the shared neighbourhood over the years. As I said in the preamble, in the '90s the EU's goal toward Russia was the extension of its normative dimension, in a period in which Russian economy and political environment were under re-construction. The EU aimed at promoting Russian transition to a well-functioning democracy and market economy, on the basis of "shared values", as the PCA of 1997 says. However, it was only in the 2000s that, with the development of a EU coherent approach toward the neighbourhood, the EU also tried to involve Russia in its broader regional approach for the neighbourhood. The first attempt to institutionalize EU-Russian relations in the framework of the broader EU strategy toward the East was made in the Wider Europe Communication. As I said in the previous part, the Communication was intended to give a common basis to EU relations with its neighbours, and Russia was invited to be a part of the EU's approach. At that time, however, Russia had already signed the PCA with the European Union, and a number of bilateral initiatives to enhance cooperation between the two areas were already in place. The Wider Europe Communication takes into consideration these developments, and it claims that:

The development of EU/Russia dialogue and cooperation on political and security issues, energy environment and science and technology over the past few years has accelerated rapidly. A new neighbourhood policy will only constitute one pillar of the overall EU/Russia strategic partnership.

Therefore, the EU offered to extend to Russia the Wider Europe initiative as just a pillar of their already strong strategic partnership. The Commission's Communication of 2003 affirmed that enlargement would serve to strengthen relations with Russia that, together with other neighbours, *"should be offered the prospect of a stake in the EU's Internal Market and further integration and liberalisation to promote the free movement of persons, goods, services and capital."* As I said, the EU initially expected Russia to strengthen cooperation with countries of Eastern Europe and the Caucasus in regional formats such as CIS. The Wider Europe Communication affirms that cooperation among the WNIS is *"already quite strong, oriented around traditional flows of trade and investment to and from Russia"*. This assertion is a recognition from the EU side that the CIS area would pursue its model of integration with Russia. Therefore, the new neighbourhood policy should not override the existing framework for EU relations with Russia and the countries of the Western NIS, but it would just supplement and build on existing policies and arrangements. The European Security Strategy of the same year also stresses that the EU *"should continue to work for closer relations with Russia, a major factor in our security and prosperity. Respect for common values will reinforce progress towards a strategic partnership"*.

The same goes for the European Neighbourhood Policy, that was initially proposed to Russia as a part of the construction of a global EU approach toward the neighbourhood. The Commission's Communication of 2004 considers Russia a *"key partner of the EU in its immediate neighbourhood"* and welcomes the creation of the four Common Spaces in 2003. Then, it affirms that *"The participation of the Russian Federation as a partner in regional cooperation, on the basis of mutual interest and common will, should be encouraged"*. Therefore, in the early 2000s, the EU's aim was to maintain a framework of good relations with its biggest neighbour in parallel with the pursuit of closer cooperation with its Eastern neighbours. In particular, France and Germany in those years followed a 'Russia-first' policy when dealing with the shared neighbourhood, blocking initiatives to strengthen the Eastern dimension of the ENP or include a membership perspective within the EaP. This was due to the fact that countries like France, Germany and Italy had strong economic ties with Russia and preferred to keep good relations with Moscow.

However, as I said in the preamble, since the early 2000s, cooperation between the EU and Russia became more pragmatic, and references to common values left the space to concrete common policies contained in the four Common Spaces. From the EU's side, after the 2004

enlargement it became more difficult to reach common strategic decisions regarding Russia, since deeper divisions among member states started to emerge. Baltic countries, Poland and states of the former Communist Bloc, given their historical past connected with Russia, tended to be critical and defensive vis-à-vis Russia and its approach toward the shared neighbourhood. New members of Central and Eastern Europe were keen on creating stronger ties with their eastern neighbours like Ukraine, Belarus and Moldova, with which they had ethnic and economic ties. Therefore, they saw the area between them and Russia as fragile to Russian expansionist influence and tried to convince the EU to counter-act Russia in the area.

The Eastern Partnership initiative was launched as a result of CEECs' – in particular Poland's – pushes for an Eastern flank of the EU Neighbourhood Policy. Poland and some other States were determined to extend the "benefit of the EU" to these countries, and ideally to give them the membership perspective, willing to take these countries out of Russian influence in the region. Eastern Partnership thus marked a first step in the inclination of EU's relations with Russia in relation with the shared neighbourhood. These diverging approaches within the EU had in the early 2000s affected the coherence and effectiveness of EU neighbourhood policies, since CEECs's interests initially clashed with those of the "old Europe". However, over time this gap started to diminish, and member states became less divided in their views and approaches towards Russia. It has to be noted that in August 2008 Russian invasion of Georgia had profoundly accelerated EU's approach toward the region and convinced the EU to deepen its relations with partner countries. However, EU's reaction in that event did not have a negative impact on EU's relations with Russia in itself. The war in Georgia divided the European Union in the field of foreign policy, and the division between old and new members considerably emerged. Some member-states condemned Russia and gave non-military aid to the Georgian government, while others accused Tbilisi of provoking the war. Their reactions suggest that EU capitals made different assumptions about Moscow's goals and intentions towards countries on Russia's borders, and about Europe's interests in these countries. France, the holder of the rotating EU presidency, refused to condemn either side. Similarly, the German foreign minister Frank-Walter Steinmeier said that Europe should be "an honest broker" of the conflict. Other countries were happy to point fingers but disagreed on who was to blame. The Slovak prime minister Róbert Fico, alluding to the August 7th Georgian artillery attack on South Ossetia, said that "we all know very well who provoked the war". Most of the other states blamed Russia. Poland issued a statement criticising "Putin's imperialistic and revisionist" intervention. Britain's Gordon Brown condemned Russia's "continued aggression". And the Swedish foreign minister, Carl Bildt, labelled the Russian military action "the gravest breach of the commitments of the Council of Europe"⁵⁸. Successfully, French president Nicolas Sarkozy in his capacity as the holder of the EU's rotating presidency brokered the cease-fire agreement that halted the fighting. Important for EU relations with Russia is the fact that no retaliatory measures were imposed on Russia, due to the EU's internal divergences on the events. If the war in Georgia did not negatively impact EU-Russia relations, it had a considerable weight in shifting the EU's approach toward the neighbourhood to a more ambitious and deeper integration approach. This led to involuntary and indirect but considerable tensions with Russia over the shared neighbourhood. Eastern Partnership is the symbol of the EU's will to increase its relations with countries of Eastern Europe and the Caucasus in a more coherent and institutionalized way. The EU repetitively claimed that the initiative was not directed against Russia and that Russia, on the contrary, could benefit from the positive outcomes of EaP. Stefan Füle, the former EU Commissioner for Enlargement and European Neighbourhood Policy, once said: *"We have never been striving to create new dividing lines in Europe - quite on the contrary, our offer to work with our Eastern European partners and Russia, who is our neighbour, but also a neighbour of our neighbours, towards establishing a common area of prosperity, stability and democracy on our continent - is standing. We have used*

58 Cfr. Valasek (2009).

numerous occasions to dispel the 'zero-sum' logic and clarify to Russia that the Association Agreements with the Eastern European partners will not harm Russian economic interests - quite on the contrary, the Russian business will gain"⁵⁹. In response to Russian accusations to the EU to extend its sphere of influence on the Russian traditional area of influence, EU Foreign Policy Chief, Solana, responded: *"This is not against Russia, in fact Russia, probably, and maybe Turkey, will be cooperating in some of the programmes which will eventually be in place. This is the philosophy with which we begin this process"*. In fact, Russia is supposed to take part in relevant meetings of the multilateral dimension of Eastern Partnership upon invitation, on a case-by-case basis⁶⁰ - even though it never accepted the EU's offer of participation.

Moreover, as I said in the preamble, since the war in Georgia EU-Russian bilateral relations started to deteriorate, not only because of tensions over the shared neighbourhood but also because of internal and international issues. Putin's third term re-election caused a wave of criticism from EU leaders, included Catherine Ashton, that supported the protests in Bolotnaya Square. Moreover, some events in the international scene were making increasingly evident the divergence between the EU's and Russian vision of global affairs – such as the West intervention in Libya. However, it was the crisis in Ukraine that marked a turning point in Russia-EU relations and in EU's approach toward the Eastern neighbourhood. In particular, the crisis showed the difference in the approaches of Russia and the EU toward some basic principles of international relations and international law. Since then, mutual accusations and critics started to spread from both sides. The whole EU rhetoric changed, describing Russia as a threat to peace and stability in Europe and a violator of international law. If until then Russia was considered a key actor in the neighbourhood, since the crisis the EU's attention shifted to the neighbour itself, with an anti-Russia purpose.

In his speech on the situation in Ukraine in April 2014, EU Former Commissioner for External Relations, Füle said: *"Russia, the neighbour of our neighbour, can only gain from Ukraine's success; and it therefore has a chance to become a part of the joint efforts to bring stability and prosperity back to Ukraine. Yet, the latest developments in Ukraine show that the notion of Europe whole and free, based on the shared commitment to human rights and freedoms, democracy, and the rule of law, as well as freedom and sovereignty of all the European states, their right to choose their own destiny, and their freedom of association, - is being challenged in an extremely serious and dangerous way."* The Joint Communication of 2015 on the reform of ENP also says that *"The acts against Ukraine and the events in Georgia since 2014 have shown that the fundamental principles of sovereignty and territorial integrity within internationally recognised borders cannot be taken for granted in the 21st century on the European continent."* This new approach seems to have united all the countries of the European Union in a common critic toward Russia, in particular after the events in Crimea. Since then, despite the consistent economic losses, even countries that had supported a Russia-first approach in the previous period, agreed to impose economic sanctions on Russia until the Minsk II Agreements were respected. This change of approach toward Russia is also reflected on the EU Global Strategy that is to be released in June. The Strategy recognizes the need to engage Russia *to restore a sustainable European security architecture and address global challenges*. However, the Revision Document stresses that:

To the east, our neighbours suffer from economic, political and energy-related vulnerabilities. Russia has actively destabilised some of them by undermining their freedom, sovereignty and security. Beyond the imperative of fostering democracy, human rights (including the rights of minorities) and good governance, the conflict over Ukraine underlines the need to bolster the statehood prerogatives of our neighbours. These include recognised and protected borders, a sustainable fiscal capacity, as well as functioning customs services and police and military forces. What is at stake is peace on our continent.

⁵⁹ Füle's speech can be found at the following link: http://europa.eu/rapid/press-release_SPEECH-14-331_en.htm

⁶⁰ Cfr. Zagorski (2011).

Our approach towards our eastern partners needs to include robust policies to prevent and resolve conflict, bolster statehood along with economic development, and foster energy and transport connectivity. And our policy towards Russia needs to prevent new dividing lines by combining a firm response to destabilising actions at and within our borders with engagement to rebuild a sustainable European security order with which all are at ease, while seeking common approaches to global issues.

From these paragraphs we can understand that Russia is considered responsible for the current situation in Ukraine, and for destabilizing the European continent. A change of approach that had a negative economic impact on the EU but at the same time boosted EU's external action coherence.

1.2.2 EU-Russia-US

To have a better framework of the interests of the various players in the shared EU-Russia neighbourhood, it is important to consider also the role of the US in the Union's approach. As we know, the US is a key external actor in Europe, especially for what concerns the security dimension. Lacking military means, the EU considers the US as the main security provider in the region, as a part of the Euro-Atlantic Community. In the European Security Strategy of 2003, we saw that the role of NATO is stressed as fundamental to enhance the operational capability of the EU and provide the framework for the strategic partnership between the two organisations in crisis management: *"The transatlantic relationship is irreplaceable. Acting together, the European Union and the United States can be a formidable force for good in the world. Our aim should be an effective and balanced partnership with the USA"*.

In particular, countries of Central and Eastern Europe saw the entrance in the US umbrella as a guarantee from future Russian expansionists actions in the area. However, from the US side, Bill Clinton was the last President whose political attention primarily focused on European dynamics (the Balkans in the head), as was the case with his predecessors, who had to face for nearly half a century the Soviet leadership for the influence on Europe. On the contrary his successors have increasingly moved American strategic interests to the East⁶¹. Currently, the US interests in Europe are mainly based on its membership of NATO, and in dealing with the hypothesis of NATO's enlargement toward the East. In the years following the fall of the Berlin Wall, the European Union and the United States witnessed the progressive enlargement to Eastern Europe of their economic and security community. Already in 1995, the Baltic States were subtracted to the neutrality zone with the Association Agreement with the European Union, to be finally integrated into Western structures with the entry into NATO (March 2004) and then into the European Union (May 2004). Also in 2004 Bulgaria, Romania, Slovakia and Slovenia joined NATO. In 2009, Albania and Croatia also joined, and in 2011 NATO officially recognized four aspiring members: Bosnia and Herzegovina, Georgia, Macedonia, and Montenegro.

The incorporation of countries formerly in the Soviet sphere of influence has been a cause of increased tension between NATO countries and Russia, as we will see when we examine the Russian perspective. In this tense framework of relations with Russia, the United States has always claimed to support *"the sovereign right of these countries to choose their own future"*. In her speeches, Victoria Nuland – the US Assistant Secretary of State for European and Eurasian Affairs - continuously recalls that any form of pressure to prevent sovereign states from pursuing greater integration with the EU, or any organization of their choosing, would contravene obligations under the OSCE Helsinki Principles and the Charter of Paris. In 2013 she affirmed that the United States *"strongly supports the process as a key ingredient in our effort to cement a "Europe whole and free and at peace" – a shared policy goal of the United States and EU member states since the Berlin Wall fell almost 25 years ago."*

61 Cfr. Biagini (2014).

According to the US vision, all countries benefit when their neighbours open their markets and become more stable and prosperous. The US has therefore been working in lock-step with its European Allies and partners to help Ukraine, Moldova and Georgia to become closer to the EU and to meet the tough conditions for reaching the Association Agreements that could be accepted by both parties. They have also been aligning future US assistance with that of the EU to ensure that these countries can continue on the path of reform and economic adjustment. The breadth and depth of US assistance to Eastern Partnership countries over the past 25 years has been consistent and the US has been promoting policies and programs in support of a more democratic and prosperous Europe and Eurasia, from the Freedom Support Act to the Partnership for Peace. Obama gave vital political support to the Eastern Partnership project during the Baltic Summit in Washington in 2013. Secretary Kerry underscored the strategic importance of the Eastern Partnership when he met with all the EU Foreign Ministers in Vilnius in August 2013. At the annual Transatlantic Dinner in New York in September, Secretary Kerry again focused his comments on the Eastern Partnership, and urged his European counterparts to make bold decisions at Vilnius. In the months since, US interagency team on Europe has worked with all parties to build consensus for the most forward leaning outcome in Vilnius.

In particular, with regard to Ukraine, since its independence in 1991, the US have supported Ukraine's transition to democracy and a free market economy with over \$5 billion in assistance. In 2013, their assistance topped \$100 million, and much of it went to help Ukraine meet European standards in law enforcement, electoral reform, business climate and the judicial sector. In the same way, the United States has provided over \$1.1 billion in assistance since Moldova's independence, with approximately \$22 million in 2013 dedicated towards improving governance, combating corruption, increasing transparency and accountability, strengthening the rule of law and the NGO sector, reducing bureaucratic barriers to trade, and improving the business environment. In recent years, Georgia has received \$1 billion in post-conflict funds, a second Millennium Challenge Corporation (MCC) compact, and it is one of the largest annual U.S. bilateral assistance budgets in the region. The United States is concentrating efforts on democratic institution-building, and the use of innovation, both economic and technological, as a way to build institutional and human capacity that further strengthens Georgia's push towards Euro-Atlantic integration. In the Caucasus, the United States continues to encourage Azerbaijan to build the democratic and economic institutions and conduct the reforms necessary for a deeper relationship with the Euro-Atlantic community. The US also worked closely with the EU to promote the emergence of a democratic and prosperous society in Belarus that shares common values, norms and standards with the United States and Europe. Finally, in its discussions with Russia about the Eastern Partnership, the US always encouraged Moscow to abide by its commitments in the OSCE and elsewhere regarding sovereign neighbours' rights to pursue any political and economic arrangements they choose. They have also encouraged Moscow to see the benefits of deeper integration between its neighbours' economies and the EU's 500 million consumers, as well as the significant prospects for economic reform and sustainable growth that integration will bring to these countries.

With regard to the Ukraine crisis, the United States conduct was driven by the will to ensure what it perceived to be the security interest of the EU and Ukraine in the region. Its involvement in this conflict is conditioned by its global responsibilities and the substantial commitment to European security. The US supports the continued integration of the "New Ukraine" within Western organizations. However, the accession of Kiev to NATO is perceived as full of difficulties, since, if accomplished, it would mark the greatest retreat of the Russian security zone from the Treaty of Brest-Litovsk and the control of the Atlantic Alliance on some areas (eastern Ukraine) where there are industries involved in the strategic security of Russia. To contain Russia, the Polish leader Jozef Pilsduski proposed to the US the enforcement of a strategic plan that in the interwar period was intended to create a security system between the Baltic and the Black Sea, that would consist in strengthen some "strategic pillars" next to areas at higher risk of contagion from the Ukraine crisis,

in order to support them both economically and militarily. The countries that are considered most vulnerable are Georgia, Moldova, Estonia, Latvia and Lithuania, which, according to the US strategy, should be shored up by US “stable” allies⁶².

1.2.3 Wider Europe

The aim of this paragraph is to put the outcomes of the previous paragraphs in a broader framework, to understand the general EU’s approach toward Russia and the shared neighbourhood. Of course, it is difficult to categorize the EU approach, since it changed and evolved throughout time and in response to regional and local events that took place in the EU’s neighbourhood. However, as we did for the EU’s strategy toward its Eastern neighbourhood, here we can reconstruct the broader picture of the EU’s approach toward its neighbourhood *and* Russia.

An important study to refer to is the already mentioned Sakwa’s work on the drivers of the Ukraine crisis. In his book “Frontline Ukraine” (2015), Sawka reconstructs the EU’s approach toward its neighbourhood since the end of the Cold War and the dissolution of the USSR. He says that the EU approach initially distinguished countries of the former Soviet Bloc on the basis of the different positions that they had in the Soviet era. The countries’ position in the Soviet Bloc is considered as the indicator of their future position in the EU design. In this approach, Sakwa makes the distinction between “countries of 1989, 1990 and 1991”. “1989 countries” are those that successfully completed the process of rapprochement with the EU, acquiring the EU membership in 2004 or 2007, while “1991 countries” are those who were never interested in coming into the EU orbit. Among them, notably Russia. Then, there is the third category of “countries of 1990”. Sakwa considers these countries – Ukraine, Moldova, Belarus and the Southern Caucasus - “in-between lands”, countries that sought to overcome the geopolitical and governance limitations of 1991 while engaging with the EU and other partners to improve their economic performance. They are described as “overlapping neighbourhoods”, torn internally and caught between two opposing blocs externally. It is upon this situation that the European Union built its project of Eastward expansion. Initially, the EU strategy was to build what Delors in 1992 called the “theory of concentric circles”. Around the core of the European Union, there should be bigger circles that include other countries of the European continent, with looser relations with the EU. Therefore, after countries of EFTA, CEECs countries – those that Sakwa calls “countries of 1989” – were designed to have the deeper level of relations with the EU, followed by “countries of 1990”. Toward them, the EU acts by using its normative power, thus with the aim of exporting its own norms and values through the conditionality principle. Russia constituted a discourse apart, even if the EU’s civilizational project, based on the Union’s will to export its norms and values, initially shaped EU relations with Russia under a wording of sharing of common values and normative interests.

As we saw in the previous paragraphs, the EU’s approach changed over the years, in response to the increasing pressures of countries of its neighbours to have their membership perspective recognized. Therefore, in 2004 the EU extended its membership to “countries of 1989”, coming closer to “countries of 1990” and to Russia. After the big enlargement, it conceived the European Neighbourhood Policy to institutionalize its relations with the larger circle of new neighbours around it. The ENP framework was designed to share with these countries “everything but institutions”, as Prodi said in 2002. The EU goal was to establish a friendly and stable neighbourhood, made of countries that shared the EU respect for the principles of democracy, rule of law and protection of fundamental values and freedoms. The method used was that of legislative approximation that we saw above, together with the export of EU’s values and *acquis communautaire*. For this reason, Sakwa considers the ENP as an alternative to traditional geopolitics, and as a part of the EU design of Wider Europe. This notion is not only the initial Delors’ proposal

62 Cfr. Biagini (2014).

regarding the theory of concentric circles. It is in Sakwa's mind a broader conception of the EU and represents the ideal shape that the European continent should have according to the EU. In a continent based on the notion of Wider Europe, the EU would be the core of a friendly set of concentric rings of countries that follow the same rules and values. This is a normative dimension that would be accompanied with different levels of political and economic relations with the various circles. It is unclear, however, what position Russia should have in the EU's project. On the one hand, the EU initially tried to impose to Russia a model of partnership based on "common values", and to englobe Russia in the ENP framework. However, the Common Spaces reflect the shift of EU's approach toward a more pragmatic vision of its relations with Russia. Therefore, Russia seems to have positioned itself outside the EU's circles, where the value rhetoric is only a void voice that leaves the space to a pragmatic cooperation in specific sectors. The Ukraine crisis eventually demonstrated the impossibility for the EU to catch "countries of 1991" into its normative project. Russia would thus remain at the border of the EU, whose limits would be ideally delimited by "countries of 1990". This notion of Wider Europe is at the basis of EU's actions and approach toward the Eastern neighbourhood and toward Russia. As we will see in the third chapter, it is widely divergent from the Russian vision of the European country, based on the notion of Greater Europe.

1.3 EU Member States' Positions

In the analysis of the EU strategy toward Eastern partners, we have considered the EU as a unitary entity, acting with a coherent voice and elaborating common policies toward its neighbours. However, in the previous paragraph, we saw that the Russian factor created divisions and debates in the EU regarding the approach that the Union should have toward Eastern neighbours and Russia. Notably, within the EU different actors might have different objectives, and EU policies are often the result of compromise and political bargain, especially in the field of external relations. The approach of the various countries towards Eastern Partnership heavily depends on the kind of relationship that they have with Russia. Therefore, the main dividing line among EU countries is whether they consider more important to maintain privileged relations with Russia or with countries of Eastern Europe and the Caucasus. Despite the recent events in Ukraine, where the EU seems to have reached an internal compromise over its external policy toward Russia, each country keeps its own ties and interests in dealing with the biggest neighbour.

The aim of this paragraph is to understand what are the interests of different EU Members in pursuing a common approach toward the neighbourhood in the framework of the EU. As we will see, EU countries can be distinguished in opposing, neutral and supportive of Eastern Partnership initiative. For a group of countries, especially of Eastern Europe, pursuing an effective and successful action in the Eastern neighbourhood is one of their many foreign policy goals. On the contrary, countries that were not supportive of Eastern Partnership since the beginning have their foreign policy priorities in other regions and believe that the multiplication of EU priorities might threaten their interest in other geographical areas - for example, countries like France or Italy are much more interested on the Southern Flank of EU Neighbourhood Policy. Here, I will analyse the role of some key EU members in shaping the EU initiatives toward the Eastern neighbourhood, and their approach toward Russia in the framework of neighbourhood relations. First, I will take into consideration the role of Poland and the countries of Eastern Europe, then I will examine the role of key EU actors like Germany, France and Italy.

1.3.1 Eastern and Northern Europe

The first bloc of countries that are worth examining are the new EU countries of Central and Eastern Europe and the Baltics. Historically they are hostile to Russian influence in the region, even if they recognize the strong economic and cultural relations that link them to Russia. Therefore, they promote a stronger EU action in the region, and they would also be in favour of extending the membership perspective to these countries. Also Sweden was a strong promoter of Eastern Partnership and of a deeper EU presence in the region. As it has been for years the promoter of the welfare state and of the social benefits to be extended in the whole Union, Sweden is a supporter of expansion of democracy and good governance in the neighbourhood, to help these countries increase their living standards. At the same time, also the UK is in favour of expanding the EU project to the East, but more for a geopolitical concern. As it is historically an enemy of Russia, the UK is in favour of extending the EU influence in the region to contain Russia.

The main protagonist of the creation of a EU institutionalized policy toward the neighbourhood is certainly Poland. Even before its accession to the EU, Poland was strongly supportive of the development of an Eastern flank of the EU foreign policy. Currently, the Eastern Partnership initiative is considered one of the main pillars of Polish foreign policy. Under an historical perspective, Poland is linked with countries of Eastern Europe, especially Ukraine - that has always been a ground of contrast with Russia and where Polish minorities live. Moreover, Polish foreign policy, despite its strong economic links with Russia – especially in the energy field – is characterized by a violent Russophobia and by the will to take the distances from Russia at the political level. Therefore, EaP facilitates the achievement of one of the key goals of Polish foreign policy, the integration of East European countries with the European Union⁶³. According to Grajewski⁶⁴, Eastern Partnership, strongly supported by Poland's lobbying activity, is not a goal itself for Poland, but on the contrary it is used in the realization of Polish interests. In this way, Poland wants to deny Russia to have any kind of influence in the territories at Polish borders. This goal can be achieved only if the six EaP countries are brought closer to Europe, by promoting an integration model in contrast with the ones promoted by Russia. As the Polish Foreign Minister said, *"EaP is the first Polish initiative incorporated in the system of the EU's external relations. Poland has thus been successful in 'uploading' its long-held national policy preferences for relations with Eastern Europe onto the common EU agenda."* We can therefore interpret Polish pushes for a comprehensive Eastern European initiative as the will to bring Polish Eastern neighbours closer to the EU and to distance them from Russian influence – as I mentioned before, Poland's initial idea was to give to these countries the membership perspective.

Since the early 2000s, Poland started to lobby within the EU to influence other members' preferences and to convince them of the importance of the issues it sponsored. In 2002 Poland came up with an initiative to create an 'Eastern Dimension' of the EU policy that would preclude Russia from participating. For developing and issuing the Eastern Partnership it managed to bring on board Minister for Foreign Affairs of Sweden Carl Bildt who was also quite sceptical about Russia. Initially, Poland wanted to organize an initiative that would be parallel to and separate from the ENP, but Sweden did not support the idea and orientated the Polish initiative toward a more pragmatic proposal. The main idea of the Polish-Swedish proposal that resulted in 2008 was that there existed a need to intensify the EU's relations with its Eastern neighbours (notably with Ukraine) in a new format that, based on the provisions of the ENP, would, however, be an independent mechanism for cooperation. Initially, membership perspective was considered the last step of this process of integration. The start of the discussions on the EaP coincided with a period of tensions between Russia and several EU member states, from 2006 to 2008, so that first Poland and

63 Cfr. Copsey (2013).

64 Cfr. Grajewski (2012).

then Lithuania vetoed the negotiations on a new Agreement between Russia and the EU. In 2008, the Georgian war was taken as an example for Poland to carry on its proposal and to hurry up the internal procedures of the EU. Over time, however, given hostile reactions of old EU Member States, the Polish government became more measured in its advocacy of Ukraine and the eastern neighbours' integration potential. Calls for a membership perspective to be extended to the eastern partnership countries were dropped, and a different tactic was adopted. Poland repeatedly stated that EaP initiative was not anti-Russian and that it had nothing to do with the membership perspective for the countries involved – even if many of Poland's partners in the Union doubted of the credibility of Polish government of these statements. Currently, Poland considers Eastern Partnership as a success, especially after three countries (Moldova, Ukraine, and Georgia) signed Deep and Comprehensive Free Trade Area agreements (DCFTAs) with the EU⁶⁵. Now, Poland's strategy is to consolidate the goals acquired. At the Riga summit on Eastern Partnership of 2015, Warsaw focused on reiterating the progress and commitments that have been made so far, rather than launching new initiatives or articulating far-reaching visions. From what emerges from the programmatic guidelines of Polish foreign policy, Warsaw thinks that the EU needs to “reconfirm its commitments” towards the EU's Eastern neighbours, especially towards those who have already signed DCFTAs. Those agreements should be ratified as quickly as possible by all EU member states, and the EU should send a clear signal that the “European aspirations” of these countries are being taken seriously. Poland has been sceptical about delaying Ukraine's DCFTA from entering into force until 2016 and it is opposing any further concessions to Russia on the issue. However, Poland fears that Eastern Partnership could become more of a foreign and security policy tool, in which the European External Action Service (EEAS) rather than the Commission was in the driving seat (although this is not likely to happen under the current ENP review). The Commission has proved over the years to be more sympathetic to Poland's concerns, and has pursued the mission enshrined in the Treaties with regard to the neighbourhood. On the other hand, the EEAS is perceived as being the domain of the bigger member states and thus is less predictable in terms of the application of commonly agreed EU policies.

Like Poland, the other countries of Eastern and Central Europe had a strong interest in the formulation of external policies that could affect the immediate vicinity⁶⁶. However, Poland's perception of Eastern Partnership is not fully shared across them, nor across the rest of Europe. Many countries believe that the EU's expansion toward the East is the root cause of the geopolitical conflict with Russia. The divide among the EU's new Eastern members with regard to addressing the EU's reaction toward Russia in light of the Ukraine crisis is a case in point as countries like Hungary, Slovakia, Slovenia and the Czech Republic have been silent in juxtaposition to Poland and the Baltic states⁶⁷.

In particular, since the beginning Eastern Partnership was supported by the Visegrad Group countries (Poland, Hungary, Slovakia and Czech Republic), in order to build political bounds with their close neighbours. In general, Central and Eastern EU states are all critical towards Russia, they all support EU enlargement and are dissatisfied with ENP in the present form. But unlike Poland the other three Visegrad countries want to maintain good relations with Russia. While Poland is trying to become a leader in sustaining partnership with the East, Hungary and the Czech Republic see the CIS region through the general debate that is held on the EU forum. They did not openly call for accession of these members to the EU but did so implicitly, by saying that “membership aspirations of any country should be regarded as legitimate”, with Slovakia that declared that the Russian position within the CIS should be treated with a considerable concern and therefore keeps its distance towards EU Eastern enlargement.

65 Cfr. “The Polish View on the EU New Neighbors Initiative” (2003).

66 Cfr. Dangerfield (2009).

67 Cfr. Triantaphyllou (2015).

As Poland, Czech Republic made of Eastern Partnership one of the priorities of its foreign policy agenda within the EU, and the first Eastern Partnership summit took place under its EU Presidency⁶⁸. Like in the Polish case, Czech Republic viewed EaP as a platform to counterbalance Russian influence in Eastern Europe countries, above all Ukraine and Georgia⁶⁹. In the Czech view, these countries must be free to choose whether they want to be integrated to Russia or to the EU, but the EU goal must be to anchor them firmly to the EU instead of creating a buffer zone between Russia and the EU. The country was willing to promote democratization and Europeanization of these countries on the basis of the path that itself had followed. The Czech government put the accent on the need to promote the democratic governance of the Eastern Partnership countries through financial institutions. The DCFTA is understood as the best practice to promote economic development, prosperity and stability in Eastern Europe. Moreover, the country believes that the whole Europe would benefit from the outcomes of the multilateral initiatives, such as the increased energy security, that is a core issue for Czech Republic.

Eastern Europe has always been an area of interest for Hungary, especially Ukraine since consistent Hungarian minorities live there. Hungary was particularly active in supporting the inclusion of Belarus in the Eastern Partnership framework, in order not to isolate the country and to support internal pro-European changes. For Hungary, the issue of energy security is the most important among the EaP issues, since the country is completely dependent on Russian gas supplies and Ukrainian transit⁷⁰. In the National Security Strategy of 2004 a strategic priority is considered to be *“the general prevalence of democratic values, including their spreading beyond the Euro-Atlantic region”*, as well as the long term stability of Ukraine and Russia. In fact, Hungary, while promoting the implementation of EaP stressed the importance of its ties with Russia, willing to maintain its stable, pragmatic political relations with it⁷¹. On the contrary, Hungary seems not to be interested in the far Southern Caucasus, with which it has not economic or cultural ties.

Other countries that were very active in the promotion of Eastern Partnership were the Baltic countries. Eastern Partnership is one of the main priorities of the foreign policy of the three Baltic countries. Estonia, Latvia and Lithuania are in fact aware of their potential role as a source of inspiration for the implementation of the principles of democracy and rule of law in their non-EU neighbours. The Estonian Government has identified EaP as one of its foreign policy priorities and the creation of the Estonian Centre of Eastern Partnership in 2011 was one manifestation of this commitment. In the Baltic Republics' public discourse, EaP is first and foremost perceived as a framework for developing bilateral relations with the six partner countries. The EU's EaP initiative is thus seen as a useful tool, but not as an ultimate goal. The main aim is fostering the well-being, stability, and democratisation of EaP countries, and by doing so, making the neighbouring region more prosperous and stable. This has led to close interaction between the Baltic Republics and the three associated states of Eastern Europe – Georgia, Moldova, and Ukraine. This cooperation, again, includes many societal groups as well as the countries' governments, since various sectors of society in these countries feel they can benefit from Estonian transition experience. Especially in light of recent events in Ukraine, Estonian civil society is increasing active in activities being carried out by Estonian Civil Society Organisations in EaP countries, whether in working for reform or assisting the huge number of Internally Displaced People in Ukraine. However, since the Vilnius summit in 2013, the three countries have viewed the EaP with growing scepticism, above all because of the policy's lack of ambition and the absence of an EU membership perspective for the associated EaP states. This is considered to be one of the main demotivating factors for those societies, which is hindering their reform processes. This perception is very much based on Baltics' own experience – the reform process, one of the true success stories of the EU's transformative

68 Cfr. Kral (2010).

69 Cfr. Kral (2010).

70 Cfr. Racz (2010).

71 Cfr. Triantaphyllou (2015).

power, was not easy for the country, and without a clear EU perspective, the situation would have been much more difficult.

Also Sweden strongly supports Eastern Partnership initiative and is in favour of a closer association of the six countries with the EU. During his visit to Ukraine in March 2015, Prime Minister Löfven made his government's view crystal clear: once Ukraine has fulfilled all of its commitments under the AA and DCFTA, the logical step for Sweden will be to prepare an application for Ukraine to EU membership. "*Sweden stands fully behind Ukraine's vision of an ever closer relation with the European Union*", he said, since "*for Sweden there is no doubt that Ukraine is a part of Europe and has a clear place in Europe*". A major concern for Sweden – one shared by its Baltic, Polish, Romanian and Bulgarian partners – is the creeping normalisation of the status quo: that an acquiescent acceptance of the simmering war in Ukraine has become the new "normal" in Brussels, and in many other national capitals⁷². At the same time, the UK position toward Eastern Partnership has positive, and the country has encouraged all the proposed initiatives in the region. As it is historically rival of Russia, the UK seeks to control and contain Russian influence in Eastern Europe and the Caucasus.

1.3.2 Germany

Contrarily to newly EU members, the old ones have been more cautious toward the establishment of closer ties with the Eastern neighbours, due to their privileged relation with Russia. In particular Germany feared initiating any regional dimension within the Neighbourhood Policy that would exclude Russia. Russia is often considered to have a middle role between those countries that support a more assertive role of the EU in the region and those who are in favour of maintaining good relations with Russia. However, its position in the triangle Russia-EU-neighbourhood has changed over time, also in response to changes in Russia-EU relations. In the early 2000s, together with France, Germany has played a key role within the EU in containing the Polish enthusiasm toward Eastern Partnership ambitions and in promoting a 'Russia-first' policy when dealing with the Eastern neighbourhood. This policy resulted in Germany's frequent blocking initiatives to strengthen the Eastern dimension of the ENP or to include a membership perspective within it. Nevertheless, Eastern Europe was one of the top priorities for the German EU presidency in the first semester of 2007. Berlin wanted to give this region more prominence within the ENP, given its geopolitical and economic importance as both a supplier of energy to the EU and an energy transit zone. Moreover, it wanted to counter-balance the advancement of France-sponsored Southern dimension of the European Neighbourhood Policy. Therefore, since the launch of Eastern Partnership, Germany kept a middle-ground position to balance its interests in good relations with Russia with those in promoting a functioning institutionalized framework of relations with Eastern partners.

Things seem to have changed in the aftermath of the Ukraine crisis and especially Russian takeover of Crimea. In these events, Germany has considerably increased its efforts to stabilize and support Ukraine. Alongside financial and humanitarian assistance, Germany and Poland are the two European Union member states most deeply involved in advising on and assisting structural reforms in country. However, this is happening as part of a bilateral policy, which pays little attention to the ENP's instruments, since they are perceived as being too weak and too slow. In this context, German Chancellor Angela Merkel seems to have definitively broken its relations with Putin – with her famous phrase "he lives in another world". Critics and need of punishment for the violation of international law have led to the definitive fracture between the deeply economically interlinked states. On the other hand, a letter from German Foreign Minister Frank-Walter Steinmeier to European Commission President Jean-Claude Juncker urged the European leader to respect Russian

72 Cfr. Schmidt-Felzmann (2015).

concerns about the implementation of the EU-Ukrainian DCFTA. This showed that some parts of the German foreign policy elite are still pervaded by elements of the old Ostpolitik. Behind the scenes of what seems to have been a shift in Germany's foreign policy focus, the debate continues on the ultimate ends of German policy towards the eastern neighbourhood. Is Germany's goal to come to terms with Russia, or is it to protect the European choice of the states and societies who are willing to move West?⁷³ Germany is currently the strongest economic power in Europe and the leader in Europe's sanctions policy on Russia. But many claim that the German foreign policy machinery is both too progressive and too conservative to come up with new policy ideas for the European Neighbourhood Policy. Many consider a more proactive role of Germany in neighbourhood issues as vital both as a generator of a new Ostpolitik for the EU and as an actor which focuses on the direct dialogue with the civil societies of the partner countries and Russia. The question is whether Germany is willing to and can lead and act even against its own economic interests, which are intertwined with the postmodern European world order of stability and prosperity as well as with Russia as a trading partner⁷⁴. The limits of the old Ostpolitik and its various permutations from Willy Brandt to Helmut Schmidt to Gerhard Schröder and to Frank-Walter Steinmeier are telling of the evolving relationship between Russia and Germany as well as Russia and Europe. As Mischke and Umland suggest, *'[i]f the West's confrontation with Russia deepens, Germany's traditional understanding of Ostpolitik, with its emphasis on conflict avoidance through constant communication, may have to be abandoned'*.

1.3.3 Mediterranean Countries

In general, countries of Southern Europe are more concerned with the Southern dimension of the ENP rather than with the EU strategy toward the East. However, it would be incorrect to say that they are not interested at all in the events in the region, given the importance of their relations with Russia and the regional and global dimension that the Ukrainian crisis has acquired.

France has formally supported the European Union's Eastern Partnership, but its approach to the policy has long been ambiguous. French officials are aware of the value of the EU engaging with the former Soviet Republics who seek to move away from Russian influence, or to balance it, by having a stronger relationship with the EU. And France is aware of the soft power that the EU can and must deploy in its neighbourhood in order to promote stability. France played a considerable way in dealing with the war in Georgia in 2008, when it held the presidency of the EU. However, its political priorities, and the way it has tended to relate to Russia, have heavily weighed on its approach toward Eastern neighbours. In this context, France has preferred to deal directly with Moscow rather than to focus on a EU-wide approach towards the shared neighbourhood. This largely explains, for example, why France supported a return to EU-Russia relations more or less back to normal only a few months after the Georgia war. EaP was seen largely as the product of Polish and Swedish priorities, at a time when French officials were privately warning against the "anti-Russian" tendencies of those countries. France, at the time, had started negotiating specific deals with Russia, including the highly controversial Mistral warship sale. As yet, it is unclear to what degree the Ukrainian crisis has led Paris to a reappraisal of what the EaP should become. The war in Ukraine has served as a wake-up call in France, but there are few signs that Paris will become central to building a new EU-empowered policy towards borderland countries. France is now a supporter of Eastern Partnership and recognizes that relations with the eastern neighbours need to be put on a firmer footing through the negotiation of Association Agreements. However, there remain two 'red lines' for France's attitude towards Ukraine's European integration. First, 'all debate on enlargement must be excluded from discussions with Ukraine'. Second, the balance must

73 Cfr. Gressel (2015).

74 Cfr. Triantaphyllou (2015).

be maintained between per capita spending in the eastern neighbourhood and spending in the southern neighbourhood—that is the south will receive rather more than the east by virtue of its higher population⁷⁵.

With regard to Italy, the element that always influences Italian eastern strategy is its relations with Russia, a traditional economic, energy, and political partner. However, whereas in the past Rome promoted its unique and privileged partnership with Moscow, it is now looking beyond bilateral relations. In an interview with *La Stampa* on 5 May 2015, Italian Foreign Minister Paolo Gentiloni reiterated Italy's support for Kyiv and its commitment to the resolution of the Ukraine crisis, which can only come about through a political solution. Sovereignty, territorial integrity, the Minsk Agreements, institutional and economic reforms are the key issues for Italy when talking about Ukraine. At the same time, Gentiloni said that we should not “close the door to Russia”, a recurrent formula in the Italian approach to the ongoing crisis. Any effort to reach an agreement must not leave out dialogue with Moscow, which is not only an interlocutor for Italy, but also for the majority of EU member states. The core message is the need to find a stable, politic, and balanced compromise between Moscow's arguments and those of Kyiv's. Italy is already paying a high economic price because of the sanctions regime, and in political terms, Russia is being considered as a key interlocutor in solving some of the hot dossiers, especially in the MENA region, from Libya to Syria to the Iranian nuclear deal. Italy is thus trying to balance between preserving Ukraine's territorial integrity and sovereignty on the one hand and maintaining a constructive dialogue with Russia on the other, with a view towards a rapprochement between Moscow and Brussels. Of course, the Italian position has been widely criticised, especially by Kyiv and Washington⁷⁶.

Finally, if we examine Spain's position toward EaP, we see that it is not dissimilar from the Italian one. The main factor shaping Spain's approach to the Eastern Partnership Project is what is predominantly thought of in Madrid as “realism”. Madrid sees the dynamics of the 2013 summit in Vilnius – in particular, the Brussels-led diplomacy with then-President Viktor Yanukovich's Ukraine and the increasing tensions with Russia – as having aggravated or at least contributed to the outbreak of the crisis in Ukraine⁷⁷. On the Russian question, many policymakers in Madrid perceive the lack of sensible offers to Moscow (for example, on visa liberalisation), coupled with the lack of real will to engage with Russia's interests and concerns – or a veiled desire to balance Moscow at any cost – as trigger factors in the Ukraine crisis. This must be viewed in light of the concept of a “strategic partnership” between Europe and Russia (and between Spain and Russia) which, though increasingly under fire, still influences thinking in Madrid. Though EaP is considered as a framework both for relations with the six partners and for reforms within them, according to this way of thinking Europe should also provide incentives to Moscow in return, an approach which should serve to de-escalate tensions over Ukraine. Above all, the reasonment goes on, Europe should avoid isolating Russia. Nonetheless, the current Spanish government has also made several overtures to EaP countries, through diplomatic visits and other such measures. Madrid places a strong emphasis on incrementalism: should countries make progress in reforms required by the EU, the EU should respond accordingly and provide support through economic, financial, and expert assistance. But, in the same light, incentives should not be provided in the absence of real reforms – hence Madrid's and other member states' stance on visa liberalisation for Ukraine at the Riga Summit. In conclusion, Madrid's line can be summarised as “reforms and standards first, status and incentives later”⁷⁸.

75 Cfr. Nougayrède (2015).

76 Cfr. Francescon (2015).

77 Cfr. Lasheras (2015).

78 Cfr. Lasheras (2015).

Conclusions

The focus of this chapter has been the EU foreign policy approach toward countries of Eastern Europe and the Caucasus and Russia. As we saw, the EU's strategy evolved over time, in response to changes in the internal and international environment. The EU approach toward Eastern partners and toward Russia evolved as parallel and sometimes connected approaches, but in the last period they widely diverged. As the analysis of documents and events show, initially, the European Union did not have a precise strategy to deal with its neighbourhood, especially after the end of the Cold War. Since the early 2000s, EU actions developed as a response to concrete challenges in the neighbourhood and to the increasing pressures coming from new EU members. Countries of Eastern Europe and on a minor level the Caucasus gradually became part of an institutionalized EU policy toward the East. With the Partnership and Association Agreements of the 90s, the EU tried to set a legal framework for its relations with these countries, and in the early 2000s it started to search a way to give a comprehensive outlook to its relations with all neighbour countries. The biggest push for this approach has been the accession of the Eastern European countries in 2004. With them, the EU found itself to have new neighbours in an unstable area, threatened by regional conflicts and soft-threats. This encouraged the EU to pursue a more coherent strategy toward the new neighbourhood, that was proposed firstly in the Wider Europe initiative and then in the more concrete Neighbourhood Policy, launched in 2004. The two main drivers of ENP and EaP were the EU's need to ensure security in its neighbourhood and the EU's normative nature, that brings the EU to export norms and values in its external relations. The development of these initiatives went at the same speed of that of EU's relations with Russia. Initially invited to participate to EU projects in the neighbourhood, Russia decided to pursue a differentiate form of integration with the EU, in the form of the Strategic Partnership and the four Common Spaces. Under this new framework, that gradually saw the inability to reach a new legal framework for bilateral relations that would replace the PCA of 1997, Russia-EU relations became increasingly based on practical cooperation rather than on shared values and norms approximation, as the EU was initially willing. However, the first years of the 2000s were marked by Russia's acceptance of the EU's approach toward countries of Eastern Europe and the Caucasus, since it saw ENP as a normal way for the EU to regulate its relations with countries concerned.

As I pointed out, the first major shift in EU's approach toward the neighbourhood occurred as a consequence of the war in Georgia, that accelerated the EU trend toward the construction of an approach more focused on the Eastern neighbourhood. Despite the war in Georgia received an uncertain and differentiate response from the EU members, since many old EU countries were willing to maintain good relations with Russia, the EU as a whole was convinced to accelerate the process of creation of the Eastern Partnership. This initiative has an approach more based on the needs of the six countries of Eastern Europe and the Caucasus, both at bilateral and multilateral level. Like ENP, it is a way to give an institutional framework to the EU relations with its eastern partners. The Action Plans that the EU stipulates with each partner country are designed to stimulate reforms in these countries to reach legislative approximation with the EU and the acquisition of the *acquis communautaire* on the basis of "shared values". The EU assists these countries in pursuing reforms to become well-functioning democracies and market economies. To encourage these countries to follow the Action Plans, the EU uses the conditionality principle, using "carrot and sticks" to reward and punish these countries in the process of approximation. Despite the "golden carrot" of membership is deferred, the possibility of achieving free trade and visa liberalization are positive stimulus for these countries to comply with AP provisions.

Until this point, we saw that the EU did not had precise foreign policy goals for the neighbourhood, but its strategy toward Eastern partners developed under the will to give an institutional framework to its relations with these countries and to ensure security and stability at its borders. The geopolitical dimension, the need to contain Russian expansion in what it considered its

“sphere of privileged interests” was not the initial goal of the EU, that instead had offered Russia the participation to its ENP initiative. However, since the creation of Eastern Partnership, Russia started to perceive EU’s approach toward the Eastern neighbourhood as directly challenging its interests in the area. Nevertheless, until the Ukraine crisis the EU manifested its internal division between the group of countries that pursued a “Russia-first” policy and those who were concerned with Russian ambitions in the shared neighbourhood. In particular, we saw that countries like the Baltics and the Visegrad Group considered a foreign policy priority the implementation of Eastern Partnership, while France and Italy historically preferred to maintain good relations with Russia and Germany maintained an intermediate position that aimed at mediating between the two parties. It was not until the Ukraine crisis that the geopolitical dimension of a pure technical and legal project manifested itself. In that occasion we assisted to the rupture of Germany-Russia privileged relations and to the formation of a compact EU front that sanctioned Russian intervention in Ukraine. The configuration of the European continent that we see now partially reflects what the Union considers the “Wider Europe” dimension. As Sakwa explains, the EU wants to shape the continent in order to become the centre of an area of “concentric circles” with increasing looser relations with the EU as they are geographically further from the core. In this scenario, Russia would be outside the circles dynamic, having failed to follow the process of integration with the EU *acquis*, norms and values. In this framework, another aspect of the EU’s approach that I considered in the previous paragraphs is the role of the United States in the security dimension of the EU. Despite the last decades saw the attempts of some EU countries to act without or even against the US in the security dimension – see, for example, the war in Iraq or in Libya – NATO remains the main security provider for the European continent. In particular, with the accession to the organization of countries of Eastern Europe, it is increasingly concerned with the geopolitical dimension at the border with Russia and in the area of the shared neighbourhood. Therefore, despite being two separate entities, the actions of the EU and NATO often overlap, or at least are perceived in this way by Russia.

These considerations will be used in the last chapter for a comparison with the Russian side, to see what is their degree of compatibility and at what level the tensions between the EU and Russia are situated. The next chapter will present an analysis of policies within the framework of EaP, in order to see how the general strategy is then transformed into concrete actions.

Chapter 2 - EU Policies

The aim of this chapter is to understand how the EU strategy toward the Eastern neighbourhood is transferred to the policy level. The focus of this chapter is on Eastern Partnership, that is the most comprehensive and ambitious initiative that the EU conceived to regulate its relations with its neighbourhood. The approach is thus different from the previous chapter, where I considered EaP as a part of the EU's neighbourhood strategy. As I mentioned before, Eastern Partnership was launched in 2009 to improve EU relations with its neighbours in Eastern Europe and the Caucasus and it tries to realize what we saw is the EU's strategy in the East: namely the creation of a "ring of friends" and well-governed states around it. According to what official documents state, the EU "wants to be surrounded by a stable, peaceful and democratic area" and it is "is interested in stability, security and prosperity of these countries, as they have become closer neighbours with EU enlargement"⁷⁹. The goal of Eastern Partnership is to institutionalize the EU's strategy in a comprehensive framework to regulate EU's bilateral and multilateral relations with its neighbours and to sponsor a series of economic, political and cultural initiatives in neighbour countries "interested in moving toward the EU".

This chapter is divided as following. First of all, I will present an historical excursus of the initiative, outlining the main steps that led to the current configuration of Eastern Partnership. Starting from the initial proposal of the Polish Foreign Minister in 1998, I will explain how this initially neglected proposal eventually turned into an ambitious external policy of the EU. The second part of the chapter will present the main initiatives that the EU sponsored under the framework of Eastern Partnership. Here, I will distinguish between the bilateral and multilateral dimensions of EaP and I will present EaP institutional framework as well as the founding mechanisms of the initiative. The third paragraph will then give an assessment of the outcomes of Eastern Partnership, presenting the benefits and the drawbacks that it brought both to the EU and partner countries. In the general framework of this thesis, this chapter is essential to understand what is the degree of compatibility between EU-sponsored initiatives in its Eastern neighbourhood with those of Russia in the same region.

2.1 Eastern Partnership: an Historical Overview

This part of the chapter aims to present the Eastern Partnership initiative under the lenses of its historical development. As we will see, many EU countries have supported the creation of this initiative, and some of them considered it a strategic move to pursue their own foreign policy interests inside and outside the EU. Among the most active countries in this field there were Poland, Sweden, the Baltic States and Germany. As I mentioned in the previous chapter, Eastern Partnership was conceived long before its launch in 2009, and it gradually developed through various steps that led to its contemporary configuration. Here, I will reconstruct the main steps of EaP development over the last decades.

2.1.1 Poland's Proposals and Wider Europe Communication

The initial proposal to provide the EU policy towards its Eastern neighbours with a comprehensive policy framework was presented by Poland in 1998. At that time, six years before the 2004 EU enlargement, the Polish Minister of Foreign Affairs, Bonshaw Geremek, in the speech inaugurating Poland's accession negotiations introduced the idea of the "Eastern Dimension of the EU external action". The idea was that, since Poland was becoming the borderland of Europe, a

79 European Commission Communication on Eastern Partnership. 2009.

peaceful and friendly neighbourhood was essential to increase European security and good neighbourhood relations. This idea was reiterated in June 2001 in a paper by the Polish Ministry of Foreign Affairs. However, Poland's attempt to establish this initiative failed due to the lack of interest of the EU Member States in expanding their field of action to the East. Moreover, the voices and preferences of the country in the pre-accession process lacked the same legitimacy as those of EU Members.

It was only some years later that the European Union started to launch and implement a variety of policies that concerned Eastern Europe. In their joint letter to the Council on 'Wider Europe', dated August 2002, Commissioner Patten and the High Representative for the CFSP, Mr Solana, noted the absence of an EU vision for its future relations with Ukraine, Belarus Moldova and Russia and recognized the need to enhance EU relations with these countries. In October 2002 Prime Ministers of Great Britain and Sweden brought on the EU agenda the so called New Neighbour Initiative, with the aim of dealing in a more institutionalized way with Ukraine, Moldova and Belarus. In the proposal, EU relations with its biggest Eastern neighbour, Russia, were unclearly defined and this was perceived as a controversial factor. In its conclusions of 18 November 2002, the Council invited the Commission and the High Representative to draw up more detailed proposals on how to develop relations between the future enlarged EU. Prodi issued a public statement outlining the foundations of a new initiative, a "proximity policy for the wider Europe". The Danish Minister of Foreign Affairs, during Danish Presidency of the EU in 2002 supported this proposal, interested in the enhancement of EU relations with Ukraine, Belarus, Moldova and Russia. He emphasized the need of a EU differentiate approach for Eastern neighbours and mentioned the promise of membership perspective. France insisted in including the Mediterranean countries in the initiative, and its proposal was approved in the Copenhagen European Council of December 2002. In the Council Conclusions of 2002, the outcome of the New Neighbourhood Initiative was described as the following (doc. 14078/02)⁸⁰:

- With the forthcoming biggest ever enlargement in its history, the EU will have borders with a number of new neighbours. Enlargement presents an important opportunity to take forward relations with the new neighbours of the EU which should be based on shared political and economic values.
- In particular, the EU wishes to put in place further conditions which would allow it to enhance its relations with its Eastern European neighbours: Ukraine, Moldova and Belarus. There is a need for the EU to formulate an ambitious, long-term and integrated approach towards each of these countries, with the objective of promoting democratic and economic reforms, sustainable development and trade, thus helping to ensure greater stability and prosperity at and beyond the new borders of the Union.
- The initiative will be based on a differentiated approach considering each country's distinct political and economic situation, potential and aims. The development of relations with the countries concerned will, of course depend on their implementation of further reforms and their willingness to respect international commitments and common values on democracy, the rule of law and human rights.
- This initiative should be seen in conjunction with the EU's strong commitment to deepening co-operation with the Russian Federation, which is a key partner.
- The EU also encourages the further development of cross-border co-operation, including the fight against organised crime and illegal immigration, and regional co-operation with and among neighbouring countries in Eastern Europe. Furthermore, co-operation with relevant international organisations in the area, such as OSCE and the Council of Europe, will be an important element in the implementation of the initiative. In this respect, Candidate countries will play an important role. 6. Based on experience with this initiative, the Council might subsequently reflect on those elements which could be relevant for relations with partners in other bordering regions. 7. On this basis, the Commission and the High Representative are invited to prepare as soon as possible more detailed proposals on how to take this initiative further. Candidate countries will be consulted in this work.

⁸⁰ The document is available at the following link:

http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/gena/73248.pdf

In January 2003 Poland presented the final proposition for the creation of the Eastern Dimension of the EU with its “Non-paper with Polish propositions concerning the future shape of the enlarged EU politics towards the new Eastern Neighbours”. This regional strategy, to which Poland had been working since 1998, was addressed to Ukraine, Belarus, Moldova and Russia, but it also drew attention to the need of strengthening the EU policy towards the countries of the Caucasus and Central Asia. This document urged the EU to formulate a coherent and comprehensive framework to enable the development of bilateral relations with each of the countries concerned, without prejudicing their European aspirations. It also suggested that the new Eastern Dimension should have been based on common values and interests. The pivotal element of the proposition was the offer of EU membership to those countries that implemented EU reforms and fulfilled the conditions for accession, with the help of EU funds to promote democracy and market economy. Such a European perspective was particularly attractive for Ukraine and Moldova which declared the will for integration with the EU. In contrast, building financial and political instruments adjusted to Russian and Belarusian conditions was much more difficult. Such requirements demanded the establishment of specific instruments such as technical help and coordination of EU supporting activities, as well as facilitating the achievement of the above mentioned aims in those countries. Furthermore, two other programmes, TACIS CBC and INTERREG, had to be adapted and coordinated. Polish propositions included the creation of the European Democratic Fund or the European Freedom Fund, which would enable the accomplishment of aid programmes managed by the non-governmental organizations in every single country. These Funds were meant to be created in order to promote democratic values through the transfer of knowledge essential to undertake the process of transformation.

Two months later, in March 2003, the Commission released the Document “Wider Europe – Neighbourhood: a new Framework for Relations with our Eastern and Southern Neighbours”, that we examined in the previous chapter as a part of the EU’s strategy in the neighbourhood. This document was intended to give a comprehensive vision of EU policies toward its neighbourhood. This concept was of a great difference to the Polish concept of the Eastern Dimension. Above all, the territorial aspect of this policy changed and took into consideration the interests of neighbours from the East as well as from the South. By the means of the concept of Wider Europe, the EU wished to build a stable model of cooperation by promoting equal rights and opportunities among all neighbours. With regard to Eastern Europe and to some countries' aspirations for EU membership, this paper led to the crystallization of a partnership approach different from the EU membership perspective. Contrary to what emerged in the 2002 institutional debate, membership offer was removed compensated by incentives, and conditionality replaced the benchmark approach. The goals of this initiative were to work with partners to reduce poverty and create an area of shared prosperity and values based on deeper economic integration, intensified political and cultural relations, enhanced cross-border cooperation and shared responsibility. With regard to Russian stake in the shared neighbourhood, the Communication claimed that the agenda for legislative and regulatory approximation could be developed as currently explored in the Common European Economic Space (CEES) initiative launched with Russia. “The CEES itself should be developed to set out a deeper and broader timetable for legislative approximation between the EU and Russia. Participation in selected EU activities and programmes, including aspects such as consumer protection, standards, environmental and research bodies, could be opened to all neighbouring countries”.

2.1.2 The EU Neighbourhood Policy

In 2004, after two years of intense debate over the EU strategy towards its neighbourhood, the European Union launched the European Neighbourhood Policy (ENP) to give a comprehensive framework to EU's relations with neighbour countries. ENP's vision aims at the creation of a ring of countries around the EU that share the EU's fundamental values and objectives, going beyond co-operation to involve a significant measure of economic and political integration. The goal of this policy was to support these countries in the achievement of the “*closest political association and the greatest degree of economic integration*” with the EU. These goals should be based on “*common interests and on values - that are democracy, the rule of law, respect for human rights, and social cohesion*”. In 2004 the membership perspective was definitively removed from the agenda, giving way to a partnership approach, based “on mutual commitments to common values”. The European Commission declared its readiness to support reforms in the neighbouring countries and it addressed the need to extend the scope of aid programs. This would bring enormous gains to all countries involved in terms of increased stability, security and wellbeing. The privileged relationship with neighbours would build on mutual commitment to common values principally within the fields of the rule of law, good governance, respect for human rights, including minority rights, promotion of good neighbourly relations, and the principles of market economy and sustainable development. Among the concessions accorded to every neighbour country, wanting to pass internal reforms, there were softening restrictions in the visa regimes and access to the internal market. Commitments were also to be sought to certain essential aspects of the EU's external action, including, in particular, the fight against terrorism and the proliferation of weapons of mass destruction, as well as abidance by international law and efforts to achieve conflict resolution.

In general, partner countries agreed with the EU for the creation of an Action Plan or an Association Agenda, based on already existing legal agreements with the EU – such as Partnership and Cooperation Agreements (PCAs) or Association Agreements (AAs). Action set out the partner country's agenda for political and economic reforms, with short and medium-term priorities of 3 to 5 years and reflect the country's needs and capacities, as well as its and EU's interests. The aim of these plans is to agree on the future steps that these countries shall take in order to further their integration with the EU. In undertaking actions for reforms, these countries have to demonstrate their commitment to democracy, human rights, rule of law, good governance, market economy principles and sustainable development. While the underlying principles and objectives of the ENP apply to all partners, the EU's relationship with each one of its partners is unique, and the instruments of the ENP are tailored to serve each of these relationships. The ENP provides the EU with a toolbox of instruments that allows it to adapt and differentiate its policy, in line with the different developments, ambitions and needs of its partners. Finally, the European Union also supports the civil society which plays an important role in bringing about deep and sustainable democracy in partner countries.

The implementation of the Action Plans is monitored through committees set up by these agreements. Once a year, the European External Action Service and the European Commission publish progress reports assessing the progress made towards the objectives of the Action Plans and the Association Agendas. Since ENP implementation requires action on both sides, the EU supports the achievement of these objectives through a policy based on the following pillars:

- Financial support
- Economic integration and access to EU markets
- Easier travel to the EU
- Technical and policy support.

Since 2004, the Commission suggested the actions which would gradually help to move forward the process of integration of neighbour countries with the European Single Market, particularly with reference to Russia, recognized as a key partner of the European Union. However, Russia, that had already signed its PCA with the EU, decided to opt-out from this initiative and to continue pursuing its own process of integration with the EU, based on the strategic partnership and the implementation of the four Common Spaces.

Since January 2007, the EU has adopted a new financial instrument advantageous also for Russia: the European Neighbourhood and Partnership Instrument (ENPI). Nowadays, the ENP benefits from greater coherence thanks to the creation of the European External Action Service which supports the High Representative of the Union for Foreign Affairs and Security Policy and Vice-President of the European Commission Federica Mogherini and the involvement of the Commissioner specifically dealing with European Neighbourhood Policy and Enlargement Negotiations European Neighbourhood Policy. With the 2011 review of ENP, the EU introduced the “more-for-more” principle, according to which the EU will develop stronger partnerships and offer greater incentives to countries that make more progress towards democratic reform – free and fair elections, freedom of expression, of assembly and of association, judicial independence, fight against corruption and democratic control over the armed forces.

2.1.3 Eastern Partnership

Within the Neighbourhood Policy, little attention was given to the distinction between the Eastern and Southern neighbourhood. A new attempt to build a specific policy for the new Eastern Neighbourhood was introduced in 2006 by Germany within the concept of ‘Neue Ostpolitik’ in the run-up to its EU presidency in the first half of 2007. The concept foresaw the establishment of the ‘ENP Plus’ format, a strengthened ENP towards Eastern Europe and the Caucasus. This idea didn’t materialise, but found a promising successor in the shape of the Polish-Swedish proposal of May 2008. Also in 2007, Czech Republic looked for the support of like-minded countries to make a working document called “ENP and Eastern Neighbourhood – Time to Act”. The basic proposal was to develop a multilateral, project-based Eastern dimension of the ENP under a flexible framework of relations. Czech Presidency deemed the strengthening of contacts with Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine to be a natural counterbalance to the EU general neighbourhood policy, “represented, to the West, in particular by transatlantic cooperation with the United States, and, to the South, by the Mediterranean Union project”. Also Polish Foreign Minister Radoslaw Sikorski once again highlighted the importance of the Eastern countries by distinguishing them from the EU’s partner countries in the South. Whereas the latter were “neighbours of Europe, the Eastern countries were “European neighbours” with a “natural membership perspective”. However, this view on a future membership perspective was not included in the official papers due to differences over the issue among EU member states. “The EU’s Eastern policy is of interest to the whole EU. The weakness of [previous] northern, eastern or southern European Union policies was that they existed only in the sphere of interest of member countries in those regions,” Polish commissioner Danuta Hubner told the Rzeczpospolita newspaper. With regard to the Russian position in the EaP, Czech Presidency stressed that this policy was not anti-Russian and it does not mean for the six countries a green light to become involved in the enlargement process.

In December 2007 the European Council Conclusions called for developing both the Eastern and the Southern dimensions of the ENP “in bilateral and multilateral formats on the basis of the relevant Commission communications and proposals”. The Czech proposal was used as the basis of the joint Polish-Swedish initiative the following year, even if the two projects presented some differences. The first one was more based on flexibility and on a less institutionalized partnership, while the Polish-Swedish proposal aimed at having institutions on the model of the Mediterranean

area. In 2008, with the launch of the Union for Mediterranean initiative, it seemed that the perfect moment for the establishment of Eastern Partnership had come⁸¹. As Poland maintained, the Union for the Mediterranean, in its final phase of setup before the inaugurating summit in June 2008, “clearly provided a window of opportunity and created a momentum, where the EaP could be effectively approved by all the 27 EU member states”. Poland connected its support for Nicolas Sarkozy’s proposal of the UfM with the suggestion that France should be in favour of creating a similar project in the East. Great Britain, Denmark and the Czech Republic were the first recipients of Polish and Swedish lobbying for their initiative.

A joint proposal for Eastern Partnership was made at the EU foreign ministers’ meeting on May 26, 2008. *“The main difference with the bilateral ENP scheme is that the Polish-Swedish initiative instead stresses multilateral cooperation in fields like migration, visa-free travel, free-trade and the environment”*. Germany supported the proposal, since it wanted to re-equilibrate France’s increased role with the Union for the Mediterranean initiative. This proposal went under the attention of the General Affairs and External Relations Council in May 2008 and was endorsed as a concept under the name of Eastern Partnership in June 2008. The further development of the initiative was accelerated by the war between Georgia and Russia in August 2008. The five-day war brought attention to Georgia and to the region in general, and the conflict was seen in the EU as a Russian attempt to restore its sphere of influence on the post-Soviet space. The war in Georgia casted a very favourable light on a case that had been advocated by Poland for a number of years: that the countries between Russia and the European Union needed an improved relationship with the EU, partly for their own security and partly for the security of the EU. The Emergency European Council in occasion of the conflict sent a request to the Commission to speed up and bring forward proposals from spring 2009 to autumn/winter 2008. *“Some member states felt that we couldn’t stand up to Russia directly but we could foster cooperation in the region [...] we needed a positive signal to the Georgians [...]”* was the Polish position at the Council. Support came from the very top of the Commission. From Barroso and Catherine Day, who convened a meeting of the Director-Generals and told them to fast-track the proposal⁸². This situation led to the Commission’s communication on the EaP in December 2008, in which a detailed EaP framework was designed. At the same time, the gas crisis between Russia and Ukraine of early 2009, that also impacted some European countries, confirmed the importance of the region, that was the main route for gas transit to the EU. This crisis increased the importance of energy security issues for the EU and reinforced the need of a multilateral dimension of this policy.

In March 2009, the European Council adopted a declaration concerning the new partnership, praising it as an ‘ambitious’ initiative⁸³. Building on previous Commission proposals to strengthen the ENP, the Eastern Partnership initiative would reinforce the interaction with all six partners, always tailored to each partner’s specific situation and ambition. The essence of the proposal was to create a forum where the EU and Eastern Partners could discuss issues such as free trade, visa access and energy security. The proposal also meant to counterbalance to transatlantic and Mediterranean dimensions of the EU’s neighbourhood policy, as envisaged by Poland and Sweden. In its final configuration, Eastern Partnership included six countries. The Southern Caucasus countries were added to the ENP as a result of the manifested democratic changes seen during the ‘colour revolution’ in Georgia in 2003 and internal political disorder in Azerbaijan. Belarus, which *de jure* was under the ENP and *de facto* had limited cooperation with the EU, was also added to the Eastern Partnership with hope that this framework would open new prospects for cooperation. Ukraine and Moldova were the most promising members of the initiative. However, due to the divergent visions that Member States had about Eastern Partnership, the final version of the

81 The document is available at the following link: <http://www.msz.gov.pl/Polish-Swedish,Proposal,19911.html>

82 Cfr. Copsey (2013).

83 The document can be found at the following link:

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/107589.pdf

document launching the EaP was agreed with the smallest common denominator among them, that was a much less innovative than what Poland had initially proposed. This initiative promised a new ambitious partnership, that based on a flexible and tailored approach to each partner needs and capacities. The EU placed more efforts in dealing with frozen conflicts and in engaging civil society, but in substantive terms EaP remained similar to ENP, with shared values replaced by mutual commitments evoking a sense of responsibility in partners rather than showing them the path to follow and ambivalent joint ownership received no further definition.

At the Prague Summit on the 7th of May 2009 the Eastern Partnership initiative was finally launched. However, the inauguration summit was barely a success. All heads of the EU Mediterranean member states were absent, thus confirming their indifference towards this initiative and also some other important European leaders, like the British Prime Minister Gordon Brown did not attend. Of the EU big countries, only the Heads of States of Poland and Germany attended the inauguration summit. On the other hand, some of the Eastern partners did not send their highest level representatives either. Belorussian President Lukashenko was not invited to Prague after some meetings with high ranking European politicians beforehand, since his presence could have provoked criticism.

2.2 Eastern Partnership: Activities and Institutions

This part of the chapter focuses on Eastern Partnership activities and institutions. As we saw in the previous paragraphs, Eastern Partnership is to be understood as complementary initiative to the European Neighbourhood Policy, of which it represents the Eastern flank. According to EU documents, the new partnership shall fulfil the goal of strengthening the ties that already exist between the EU and the partner countries, with the concrete objectives of promoting “political association and further economic integration”. Moreover, EaP also comprehends the goal of developing a multilateral dimension of the EU policy in the Eastern neighbourhood. Here, in the first paragraph I will present the bilateral dimension of EaP, by analysing the Association Agreements (AA), the Deep and Comprehensive Free Trade Agreements (DCFTA) and the various spheres of cooperation between the EU and its partners under the bilateral track. The second paragraph considers the multilateral dimension of EaP, presenting the various initiatives that were conceived by the EU to deepen its relation with partner countries under a regional framework. In the third paragraph I will focus on the institutional dimension of the initiative, to see how the EU assists partner countries and monitors the implementation of the commitment they take. Finally, the fourth paragraph is dedicated to the founding instruments at the EU disposal to implement reforms and assists partner countries.

2.2.1 Bilateral Dimension

The aim of this paragraph is to analyse Eastern Partnership bilateral dimension. The Communication of the Commission of 2008 that we analysed in the first chapter described the bilateral dimension of Eastern Partnership in the following terms:

The bilateral track will be designed to create a closer relationship between the EU and each of the partner countries to foster their stability and prosperity in our mutual interest. It will include the upgrading of contractual relations towards association agreements; the prospect of negotiations to put in place deep and comprehensive free trade areas with each country and greater support to meet the related requirements, leading to the establishment of a network of FTAs that can grow into a Neighbourhood Economic Community in the longer term; progressive visa liberalisation in a secure environment; deeper co-operation to enhance the energy security of the partners and the EU; and support for economic and social policies designed to reduce disparities within each partner country and across borders⁸⁴.

⁸⁴ The document can be found at the following link:

Within the bilateral dimension, the European Union supports partner countries in implementing the objectives and priorities set out in the Association Agenda. It does so by using all the available instruments, including granting aid, sharing expertise and advice, best practices and know how, including assistance, advice and a structured process of approximation to EU acquis, support to capacity-building and institutional strengthening. Association Agreements – based on the Association Agenda - and Deep and Comprehensive Free Trade Agreements are the main instruments to pursue the bilateral dimension of EaP. The economic dimension emerges as one of the main drivers of Eastern Partnership, that is intended to create a “network of FTA” and to support economic and social policies of partner countries. Moreover, this paragraph of the 2008 Communication remarks the EU commitment to support mobility of citizens and visa-free travel as a long-term goal.

2.2.1.1 Association Agreement and DCFTA

To reach the general goals of Eastern Partnership, under the bilateral track each country stipulates with the European Union an Association Agenda, that sets the priorities for reforms in partner countries in a number of areas. The Association Agendas were built up on the priorities already set by the Partnership and Cooperation Agreements of the 90s. In PCAs in effect with Russia, Ukraine and Moldova, the parties “agreed on the need to establish a strong partnership, based on historic links and common values”. This kind of agreements were designed as instruments to help with the transition process, notably through gradual rapprochement between the EU and partner countries and to create a wider area of cooperation”. PCAs laid out the strategic political and economic reform objectives for these countries and served as a political and legal framework for cooperation. They also secured a constant dialogue between the EU and each country, in order to monitor their progresses and their path of convergence toward EU values and regulations. Within the European Neighbourhood Policy, each partner country in the East, except for Belarus, also signed an Action Plan with the EU - based on the Country’s Strategy Paper outlining bilateral priorities - and a jointly adopted National Indicative Programme (NIP).

The Association Agenda was conceived as an instrument meant to replace the Action Plan and to give a new *momento* to the bilateral dimension of EaP. For each country it is designed to prepare for and facilitate the entry into force of the Association Agreement as well as to facilitate the achievement of the overall objectives of political association and economic integration with the EU. Priorities of the Association Agenda can be divided into two groups: first, commitments to specific actions which confirm or reinforce adherence to shared values and to certain objectives in the area of foreign and security policy; secondly, commitments to actions which will bring partner countries closer to the EU in a number of priority fields. These priorities for action must be as precise as possible, depending on the issue at stake, and thus they constitute benchmarks which can be monitored and assessed. Partners can, for example, move towards the free circulation of goods by taking action to remove specific technical obstacles, identified in the Association Agenda. A clear time horizon is given for addressing these different priorities. Each country stipulates a different kind of Association Agenda, based on its internal characteristics and its will “to come closer to the EU”. Once the prescriptions of the Association Agenda are reached by partner countries, they can stipulate the Association Agreement with the EU. The Association Agreements represent a new stage in EU-EaP countries contractual relations, based on a new generation of comprehensive and multi-pillar treaties between the EU and its partners, aiming at political association and economic integration and leaving open the way for further progressive developments. In legal terms, the European Union Association Agreement is a treaty between the EU, its member States and a non-

EU country that creates a framework for co-operation between them. The legal base for the conclusion of the association agreements is provided by art. 217 TFEU. The Joint Declaration of the Prague Summit stated that *“New Association Agreements, beyond existing opportunities for trade and investment, will provide for the establishment or the objective of establishing deep and comprehensive free trade areas, where the positive effects of trade and investment liberalization will be strengthened by regulatory approximation leading to convergence with EU laws and standards”*. The Association Agreement provides for a shared commitment to a close and lasting relationship, based on common values such as respect for democratic principles, rule of law, good governance, human rights and fundamental freedoms. Under the framework of Eastern Partnership, Association Agreements comprise four general chapters: Common Foreign and Security Policy; Justice and Home Affairs; the Deep and Comprehensive Free Trade Area and a fourth chapter covering a range of issues including the environment, science, transportation, and education. In general, AA are based on the following criteria:

1. Intention to establish close economic and political cooperation between the EU and partner countries;
2. Creation of parity bodies for the management of the cooperation, competent to take decisions that bind the contracting parties;
3. Offer of the Most Favoured Nation treatment;
4. Provision of a privileged relationship between the EU and its partner;
5. The clause on the respect of human rights and democratic principles as an essential element of the agreement.

The difference between the Association Agreements that Eastern Partnership countries are negotiating and others that the EU has struck with third countries is the DCFTA. In signing this, Eastern Partnership members commit themselves to the adoption specific pieces of EU legislation in trade, consumer protection and environmental regulation. Countries that sign a DCFTA must adopt around 350 EU laws within a ten-year timeframe. The condition is that partner countries meet the relevant criteria and commit themselves to introducing free market principles. Indeed, the European Union assumes that open markets and economic integration contribute to the rapid economic development and increased prosperity of partner countries, and that the creation of stronger trade ties increases the chances of a lasting political stability. Since the pre-condition to start the negotiation of the DCFTA is to be the WTO member, in Azerbaijan and Belarus provisions on the DCFTA are not applicable, and the DCFTAs will be established only once these countries have joined the WTO.

As an example to show the provisions of the Association Agreements, we can take the EU-Ukraine Association Agreement. The Parties began negotiations of an Association Agreement in 2007, and of a DCFTA, to form an integral part of that Agreement, in 2008. The negotiations of the Association Agreement were finalised on 19 December 2011, and the Agreement was initialled on 30 March 2012, followed by the DCFTA-part of the Agreement on 19 July 2012. After signing the political chapters of the EU-Ukraine Association Agreement at the EU summit of 21 March 2014, both parties signed the remaining sections of the Agreement - including the Deep and Comprehensive Free Trade Area- in the margins of the EU summit of 27 June 2014. On 16 September 2014, the Association Agreement was ratified by the Ukrainian Parliament and consent was given by the European Parliament, enabling the provisional application of the relevant provisions of the Association Agreement on 1 November 2014, and the DCFTA-part on 1 January 2016. The Agreement counts in total over 1200 pages and comprises of a Preamble as an introductory statement, setting out the Agreement's purpose and underlying philosophy, seven Titles which concern General Principles, Political Cooperation and Foreign and Security Policy, Justice Freedom and Security, Trade and Trade related matters (DCFTA), Economic and Sector

Cooperation, Financial Cooperation with Anti-Fraud Provisions, as well as Institutional, General and Final Provisions, 43 Annexes setting out EU legislation to be taken over by a specific date and Three Protocols. A synthesis of the Agreement is the following⁸⁵:

Preamble: The preamble is a selection of the most important areas and facts pertinent to EU-Ukraine relations and it sets out the ambition for a close and lasting relationship. In particular, it contains a reference to common values on which the EU is built, namely democracy, respect for human rights and fundamental freedoms and rule of law, and which are shared by Ukraine. Ukraine is recognised as a European country which shares a common history and common values with the Member States of the EU, and the AA recognizes the European aspirations of the country. The EU welcomes Ukraine's European choice, including its commitment to build deep and sustainable democracy and a market economy. The AA then acknowledges that the political association and economic integration of Ukraine with the EU will depend on progress in the implementation of the Association Agreement as well as Ukraine's track record in ensuring respect for common values, and progress in convergence with the EU in political, economic and legal areas.

Title I: General Principles: Title I defines the general principles which form the basis for the internal and external policies of the Association between the EU and Ukraine. In particular, these principles are respect for democratic values, human rights, fundamental freedoms, the rule of law and the promotion of respect for the principles of sovereignty, territorial integrity and inviolability of borders. Moreover, the principles of free market economy, good governance, fight against corruption and against trans-national organised crime and terrorism, promotion of sustainable development as well as effective multilateralism are recognized as central to enhancing the relationship between the EU and Ukraine.

Title II: Political dialogue and reform, political association, cooperation and convergence in the field of foreign and security policy: In Title II, the Association Agreement foresees the intensification of EU-Ukraine political dialogue and cooperation in view of gradual convergence in the area of Common Security and Foreign Policy as well as Common Security and Defence Policy. The Agreement conceives the formation of several fora for the conduct of political dialogue, with the EU-Ukraine Summit as the highest level of political dialogue, and the Association Council as the basis for dialogue at the Ministerial level. As the text says, political dialogue will aim inter alia to deepen political association and increase political and security policy convergence and effectiveness, to promote international stability and security based on effective multilateralism, to strengthen cooperation and dialogue on international security and crisis management, notably in order to address global and regional challenges and key threats, to foster result-oriented and practical cooperation for achieving peace, security and stability on the European continent, to strengthen respect for democratic principles, rule of law and good governance.

Title III: Justice, freedom, and security: Title III covers issues concerning rule of law and respect for human rights, protection of personal data, cooperation on migration, asylum and border management, treatment of workers, mobility of workers, movement of persons, fight against money laundering and terrorism financing, cooperation on the fight against illicit drugs, the fight against crime and corruption, cooperation in fighting terrorism and legal cooperation. The EU and Ukraine commit themselves to increase their dialogue and cooperation on migration, asylum and border management. The importance of the introduction of a visa-free travel regime for the citizens of Ukraine, provided that the conditions for well-managed and secure mobility are in place is recognised in the Agreement. The commitment to combat organised crime and money laundering, to

⁸⁵ The document can be found at the following link:
http://eeas.europa.eu/ukraine/docs/association_agreement_ukraine_2014_en.pdf

reduce supply and demand of illicit drugs and to step up cooperation in the fight against terrorism is also reflected in the Agreement. Finally, the wish to enhance people-to-people contacts is also set out.

Title IV: Trade and trade-related matters: The fourth title of the AA is probably the most relevant part of the agreement, since it is dedicated to trade. The AA includes provisions for a Deep and Comprehensive Free Trade Area, that would offer Ukraine a framework for modernising its trade relations with the EU and for economic development. This will create the conditions for aligning key sectors of the Ukrainian economy to EU standards. The EU is presented as Ukraine's main commercial partner, since it accounts for 31% of its external trade. Closer economic integration through the DCFTA is considered as a powerful stimulant to the country's economic growth. The DCFTA, linked to the broader process of legislative approximation will contribute to further economic integration with the European Union's Internal Market by the progressive removal of customs tariffs and quotas, and by an extensive harmonisation of laws, norms and regulations in various trade-related sectors. This includes the elimination of almost all tariffs and barriers in the area of trade in goods, the provision of services, and the flow of investments (especially in the energy sector). Higher standards of products, better services to citizens, and above all Ukraine's readiness to compete effectively in international markets should be the result of this process. For the moment, EaP policies cover substantially all trade, including energy, and aim at the highest possible degree of liberalisation (with the asymmetry in the pace of liberalisation appropriate to the partners' economies). They contain legally binding commitments on regulatory approximation in trade-related areas and thus contribute to the modernisation of the economies of the partner countries and anchor the necessary economic reforms. Moreover, in the field of agriculture, convergence with EU standards for sanitary and phyto-sanitary controls would greatly enhance reciprocal trade between the partner countries and the EU. Exchanging information and close co-operation in international organisations responsible for the control of animal and plant diseases and improved sanitary conditions to protect consumers are priorities. Most countries also need to improve administrative capacity to ensure levels of food safety to enable them to access EU markets. The goal of free trade in services with and among partner countries also requires further legislative approximation in fields such as company law, accounting and auditing rules. A comprehensive prudential regulatory framework, combined with efficient and independent supervisory bodies, is particularly important for the financial services area. The objective of improving the investment climate, including by ensuring transparency, predictability, and simplification of these countries' regulatory framework helps to facilitate and increase two-way investments.

Title V: Economic and sector cooperation: Title V comprises 28 chapters in the fields of energy cooperation, macro-economic cooperation, management of public finances, taxation, statistics, environment, transport, space, cooperation in science and technology, industrial and enterprise policy, mining and metals, financial services, company law, corporate governance, accounting and auditing, information society, audio-visual policy, tourism, agriculture and rural development, fisheries and maritime policy, Danube river, consumer protection, cooperation on employment, social policy and equal opportunities, public health, education, training and youth, culture, sport and physical activity, civil society, cross border and regional cooperation, participation in European Agencies and Programmes, based on gradual approximation with the EU *acquis* and also – where relevant – with international norms and standards.

Title VI: Financial cooperation: In this part, the European Union and its Member States present themselves as the largest donor to Ukraine: the text reports that since 1991 assistance provided by the European Union alone has amounted to over €2.5 billion. The European Neighbourhood Policy Instrument (ENPI) allocated € 470 million to Ukraine for the years 2011-

2013. This goes to support action in three priority areas: good governance and rule of law, facilitating the entry into force of the Association Agreement, and sustainable development, including energy and environment. This amount includes funding under the Eastern Partnership for the Comprehensive Institution Building programme (€ 43.37 million). The latter is designed to improve the administrative capacity of partner countries and their compatibility with EU institutions, for instance through twinning programmes, professional training and secondment of personnel. We will analyse these instruments in more details in the following paragraph.

Title VII: Institutional, general and final provisions: The Association Agreement foresees a tailor-made institutional set up for EU-Ukraine relations. At the top level, the EU-Ukraine Summit will be established, presenting the highest level of political dialogue and will be a platform for meetings between Presidents. At ministerial level, dialogue will be conducted within the Association Council which could meet in any configuration. The Association Council will have the power to take binding decisions and will be assisted in the performance of its duties by an Association Committee that will address the specific DCFTA issues. The Association Agreement also foresees a parliamentary dimension and establishes a Parliamentary Association Committee as a forum for Members of the European Parliament and the Parliament of Ukraine to meet and exchange views. Another important element of the Association Agreement is the promotion of regular civil society meetings. Hence, a dedicated Civil Society Platform will be established to make recommendations to the Association Council. One key provision underpinning the Association Agreement sets out the concept of gradual approximation of Ukraine's legislation to EU norms and standards. Specific timelines are set within which Ukraine should approximate its legislations to the relevant EU legislation. These timelines vary between 2 and 10 years after the entry into force of the Agreement. Another guiding provision sets out the concept of dynamic approximation. There was a need to set out this concept as the EU law and legislation is not static but under constant evolution. Thus the approximation process will be dynamic and should keep pace with the principal EU reforms, but in a proportionate way, taking account of Ukraine's capacity to carry out the approximation.

In order to examine whether the commitments set out in the Association Agreement are met, dedicated provisions related to monitoring were included in the Agreement to supervise the application and implementation of the Association Agreement, its objectives and commitments. Monitoring takes place within the bodies set up under the Association Agreements. These have the advantage of bringing together representatives of partner countries, member states, the European Commission and the Council Secretariat. Monitoring in this setting should reinforce joint ownership. Partner countries are asked to provide detailed information as a basis for this joint monitoring exercise. The sub-committees, with their focus on specific issues, as well as the economic dialogues, are particularly useful for monitoring. The Commission draws up periodic reports on progress and on areas requiring further efforts, taking into account assessments made by the authorities of the partner country. It is suggested that a "mid-term" report be prepared by the Commission, with the contribution of the High Representative on issues related to political co-operation and the CFSP, within two years of the approval of an action plan and a further report within three years. These reports can serve as a basis for the Council to decide the next step in contractual links with each partner country. These could take the form of European Neighbourhood Agreements whose scope will be defined in the light of progress in meeting the priorities set out in the Action Plans. This monitoring process will be of a particular importance for the DCFTA as its positive result will be the prerequisite of any further market opening for the Ukrainian economic operators. Monitoring will include the assessments of approximation of Ukraine's legislation to the EU acts (and where applicable international instruments) as defined in the Association Agreement. The Association Agreement also sets out a Dispute Settlement Mechanism that would come into effect if obligations under the Association Agreement are not fulfilled by one of the Agreement

Parties. For the DCFTA part, another binding trade specific Dispute Settlement Mechanism is set out in form of a dedicated protocol. This trade specific mechanism is inspired by traditional WTO dispute settlement mechanism. The duration of the EU-Ukraine Association Agreement is unlimited. At the same time the Parties will undertake a comprehensive review of the achievement of objectives under the Agreement within five years.

2.2.1.2 Sector initiatives

Sector cooperation is based on initiatives dedicated to particularly important issues for bilateral relations between the EU and partner countries. This includes the participation of these countries in EU programs and Agencies, such as Europol, Eurojust, Frontex and other bilateral initiatives.

Mobility: Visa liberalisation is a priority for all partner countries and it was one of the strongest incentives for EaP countries to comply with the extensive EU requirements in other fields. The 2008 Strategy Paper of Eastern Partnership claimed that the EU should offer partners "Mobility and Security" pacts that would include both the mobility aspect and the conditions required to ensure a secure environment for mobility. The pacts would improve the mobility of people, while contributing to the partners' own stability and security, as well as to the security of the EU borders. They must be tailor-made on a country-by-country-basis. To this end, it is considered necessary to introduce reforms that facilitate travel for citizens of the partner countries, but also guarantee stability and security at the borders of both the six partner countries and the European Union.

Visa policy would follow a phased approach, leading to visa liberalization under specific conditions and with accompanying measures, including financial assistance and, where necessary, by technical assistance under overall assistance budgets to help partners meet the obligations stemming from these agreements. Essential in this process are the Visa Facilitation and Readmission Agreements (VFA&R). Signing of VFA results in reduction of the visa fee for short-term stays, simplified visa application procedure and in introducing specific categories of citizens eligible for applying for visas without fees (i.a. children, pensioners, students, journalists, participants of cultural exchange programs). Then, the interested countries can implement the two-phased Visa Liberalization Action Plan (VLAP) which necessitates a number of legislative and implementation steps to be taken by them in the areas of documents security, integrated border, migration and asylum management, public order and security, foreign relations and fundamental rights. Key policy areas that would be covered by such pacts include upgrading the asylum systems to EU standards, setting up integrated border management structures aligned to the EU acquis, as well as enhancing the abilities of police and judiciary in particular in the fight against corruption and organised crime. EU aid includes, among others, the establishment of high quality control procedures at the borders. The Association Agendas identify concrete steps to improve the efficiency of border management, such as support for the creation and training of corps of professional non-military border guards and measures to make travel documents more secure.

Currently, Ukraine (since 2007), Moldova (since 2010) and Georgia (since 2011) enjoy the visa facilitation agreement that goes in a package with the readmission agreement. The new Action Plan for Visa Liberalization was granted to Ukraine during the annual Ukraine-EU Summit in November 2010, and almost two months later it was granted to Moldova. The documents set the pre-conditions that are to be met by the countries in order to obtain the free-visa regime. For the EU countries to be able to open their borders to citizens of the partner countries is also necessary to increase the effectiveness of police and justice systems, especially in the fight against corruption and organised crime.

Energy: Neighbouring countries play a vital role in the security of the EU's energy supply. The European Union is the world's largest energy (oil and gas) importer and the second largest consumer and is surrounded by the world's most important reserves of oil and natural gas (Russia, the Caspian basin, the Middle East and North Africa). Improving energy network connections between the EU and its partners, as well as legal and regulatory convergence, are thus strong mutual interests. Eastern Partnership aims to strengthen energy security through cooperation with regard to long-term stable and secure energy supply and transit, including through better regulation, energy efficiency and more use of renewable energy sources. Deepening cooperation in this field can help increase energy security in both the partner countries and the European Union. Most of the six EaP countries have obsolete infrastructure and are often dependent on imported raw materials. There are also non-market, unclear rules for the functioning of the energy markets, which can foster corruption, and the very high power consumption. These factors severely reduce the efficiency and, in turn, the competitiveness of these countries' economies. Provisions on energy interdependence are included in the new Association Agreements or other bilateral arrangements between the EU and partner countries, that gave to Eastern Partnership countries the ability to integrate their energy markets the EU market. Investments in infrastructure and harmonisation of legislation help to strengthen collaboration and provide an opportunity to enter into long-term contracts for the supply and transit of energy.

Under the multilateral path, that we will examine in the next paragraph, Ukraine and Moldova have acceded to the Energy Community and Georgia is also planning to become a full member as for now it is enjoying the observer status. Ukraine will obtain financial support for the modernization of its Gas Transit System in the framework of the Neighbourhood Investment Facility. Moreover, the EU pays special attention to Azerbaijan which gets support of the realization of the Southern Energy Corridor. The other countries have expert meetings and discussions on the energy issues, but no other significant accomplishments. In addition to multilateral initiatives, the Commission proposes, taking account of the Second Strategic Energy Review, a number of bilateral measures. They include the "Energy interdependence" provisions in the AAs, in coherence with, inter alia, EU trade, competition and energy policies, to be negotiated with partners, taking account, where appropriate, of existing Memoranda of Understanding. They should contain measures to support and monitor the security of energy supply and transit, including for key energy infrastructures. Moreover, increased energy cooperation provides mutual business opportunities and can also contribute to socio-economic development and improvement to the environment. Action Plans will contain concrete steps to increase energy dialogue and co-operation, and to foster further gradual convergence of energy policies and the legal and regulatory environment. This will include policies to promote increased energy efficiency and energy savings, as well as the use of renewable energy and co-operation in energy technologies, such as clean coal. Possibilities for partners to participate in the Intelligent Energy Programme and for their gradual involvement in European Union regulatory practices and bodies (e.g., the European Gas and Electricity Regulatory fora) are also being explored. Eastern Partnership initiatives also put emphasis on increasing energy efficiency and renewable energy sources. This will help reduce dependence of the partner countries on imported raw materials. The money thus saved can be used for other investments aimed at deepening their development. The reform of ENP set the goal of building a resilient Energy Union, with an ambitious climate policy at its core. It said that the EU is committed to strengthen its energy dialogue with neighbourhood countries in energy security, energy market reforms and the promotion of sustainable energy.

Democracy: In the field of democracy and good governance, the main outcomes of the consultation were that ENP will seek more effective ways to promote reforms with each partner in mutually agreed formats and it will do more to support civil society. Ensuring the rule of law and independent and effective justice systems will remain priorities for the EU. They are crucial to

social and economic stability, to create trust in state institutions and to provide legal certainty. The EU will engage with all partners in an inclusive dialogue on human rights and democracy issues, including on areas where experiences may differ. Human rights and democracy will continue to be an agenda item in EU political dialogue with all partners in mutually agreed formats. Support will also be provided to civil society fora. In doing so, the EU will pursue its interests and promote universal values.

Economic development: In the economic field, the reform stresses that economic and social development should be at the heart of the EU's contribution to stabilising the neighbourhood and building partnerships. Enhancing economic governance, strengthening fiscal stability and supporting structural reforms for improved competitiveness and inclusive growth and social development, are keys to developing a country's economic resilience. Macroeconomic stability and economic reform in the neighbourhood are a priority and the EU will continue to provide support notably through Macro-Financial Assistance operations. The new ENP will thus mobilize efforts to support inclusive economic and social development; creating job opportunities for youth will be among key measures of economic stabilization. Full and effective implementation of Association Agreements/ Deep and Comprehensive Free Trade Areas (AAs/DCFTAs) is a key priority which will lead to the gradual economic integration of AA/DCFTA partners in the EU internal market and therefore to the creation of an economic area. Such a vision will also contribute to the long-term goal of a wider area of economic prosperity based on World Trade Organisation (WTO) rules and sovereign choices throughout Europe and beyond. For those who do not wish to engage in negotiations for a DCFTA, there should be the opportunity to jointly determine attractive and realistic alternatives to promote economic integration and strengthen trade and investment relations that reflect mutual benefits.

Security: Security is given a fundamental place in the reform of ENP, in order to make partner countries more resilient against threats they currently experience. The new focus on security will open up a wide range of new areas of cooperation under ENP, including security sector reform, border protection, tackling terrorism and radicalisation, and crisis management. Proactive engagement with partners in the neighbourhood is necessary to address root causes of cross-border threats and to contribute to securing common borders to face threats of increasing illegal migration and what is perceived as a more assertive Russian foreign policy. Building further on the European Agenda on Security, the new ENP will prioritise tackling terrorism and preventing radicalisation; disrupting serious and organised cross-border crime and corruption; improving judicial cooperation in criminal matters, and fighting cybercrime, in full compliance with the rule of law and international law, including international human rights law. There will also be a new focus on stepping up work with partner countries in the security sector, mainly in the areas of conflict-prevention, counter-terrorism and anti-radicalisation policies. Finally, greater attention will be paid to working with partners on energy security and climate action. Structures set up under the EU's security and defence architecture can be a forum for an exchange of best practice, for cooperation on common objectives, and for capacity building. Thus, a new impetus will be given to cooperation on matters related to the CSDP. In order to foster a spirit of partnership and of shared responsibilities – on a case by case basis – the participation of partner countries should be promoted in CSDP missions and operations, EU Battlegroups, and their association to relevant programmes and agencies such as the European Defence Agency and the European Security and Defence College.

Others: Other sector agreements regard specific fields of the EU's relations with partner countries. In the field of transports, the conclusion and implementation of Aviation Agreements and regulatory approximation through gradual implementation of EU aviation legislation are other

shared objectives of the EU and EaP countries. They include aviation safety, aviation security, consumer protection (such as passenger rights), environment (noise), social aspects, air traffic management, market access related issues such as slots and ground handling and airport charges. In the field of regional development, agriculture and rural development, the EU sponsored the launch or enhancement of regional policy dialogues and development of Pilot Regional Development Programmes (PRDPs) and promoted a strategy-based, inclusive approach to reducing economic and social regional disparities and realising regional economic potential. Sector dialogue on agriculture and rural development is covered by existing subcommittees within the EaP framework, established high-level dialogues (Ukraine) or regional dialogues. Another important field of cooperation is the field of macroeconomic and financial stability. The core objectives of this sector are to promote macroeconomic stability including price stability, sustainability of public finances and balance of payments positions, promote higher economic and employment growth through appropriate structural reforms, promote financial stability including by way of reforms and regulation in the financial sector⁸⁶.

2.2.1.3 Current status of the bilateral dimension

The results achieved under the bilateral dimension of Eastern Partnership are different from country to country. Association Agreements, including the Deep and Comprehensive Free Trade Agreements, have been signed with Ukraine, Moldova and Georgia. On 1st September 2014 the provisional application of Association Agreements with Moldova and Georgia has started. The political part of the Agreement with Ukraine was introduced on 1st November 2014, whereas implementation of DCFTA began as of 1st January 2016. Azerbaijan, not being a member of the World Trade Organization (WTO), has not negotiated the DCFTA and intends to sign the Strategic Partnership agreement with the EU. Armenia completed negotiations on AA/DCFTA in July 2013 but decided not to sign the Agreement in September 2013 due to accession to the Customs Union (encompassing also Russia, Belarus, Kazakhstan and Kyrgyzstan) in January 2015. In December 2015 the negotiations between Armenia and the EU on establishing the new legal framework for bilateral relations commenced (the so-called New Framework Agreement). Belarus (also not a WTO member) is not negotiating the AA, but is interested in establishing a legal basis for its relations with the EU. The different goals and expectations of particular EaP countries towards the EU are in line with the ongoing process of differentiation within EaP since 2011, that intends to take into greater consideration interests, varying ambitions and level of engagement of individual partner countries in shaping their relations with the EU.

The EU is very satisfied about the progresses of some EaP countries, in particular those who have signed the Association Agreement and DCFTA, but it recognizes that much efforts still need to be done. Regarding Moldova, the country has made great strides in concluding and implementing the Association Agreement and DCFTA with the EU. Since 1 January, the region of Transnistria also has the possibility to trade preferentially under the DCFTA, making an important contribution to conflict resolution efforts. However, recent Moldovan governments have not implemented important reforms. As the EU implementation Report for Moldova claims: *“We are currently witnessing a highly unstable political situation which is an obstacle also to the effective implementation of the Association Agreement and making full use of the opportunities. The country is in great need of stable leadership, with the determination and energy required to address a number of problematic issues including high-level corruption. This is necessary before Moldova can proceed with other key reforms - in particular in the justice, financial and media sectors, and reform of the public administration”*⁸⁷.

86 Cfr. Korosteleva (2013).

87 The document is available at the following link: http://eeas.europa.eu/enp/pdf/2015/republic-of-moldova-enp-report-2015_en.pdf

As regards as Georgia, the EU recognizes that impressive efforts have been made to implement the Association Agreement, and the results are already visible with strong growth in Foreign Direct Investment. Other indicators also show promising signs. The Visa Liberalisation Action Plan has proven to be an effective tool for promoting a range of reforms, but Georgia has gone beyond the Action Plan benchmarks and taken further steps to reform the judiciary as well as the prosecutor's office. The result was the positive report last December, that led to the EU's commitment to press ahead now with legislation to achieve full visa liberalisation as soon as possible⁸⁸.

Regarding Ukraine, the EU welcomes the European choice of the country, that it believes will bring positive economic results both to Ukraine and the EU. As the EU Commissioner for Enlargement and Neighbourhood Hahn said in January 2016⁸⁹ regarding Ukraine, *“for Ukraine the DCFTA can bring significant economic benefits. Ukrainian businesses will now receive stable and predictable preferential access to the largest market in the world with 500 million customers. And, EU enterprises will be able to benefit from easier access to the Ukrainian market, though we must help Ukraine develop the right conditions to encourage new business and investment relationships. Over 20 meetings were held in trilateral format to address alleged Russian concerns about the DCFTA implementation. Now Ukraine faces a number of measures imposed by Russia impeding trade and transit, and will need our support here too. In 2016 will be stepping up our efforts to support Ukraine with more co-ordination with EU member states and greater visibility for our work, particularly on implementation of the DCFTA. We will build on current support programs to improve the business climate, provide support to small and medium-sized enterprises, and help Ukraine find new markets. Ukraine needs to show it is open for business by aligning with EU standards in key sectors and taking decisive action on rule of law. The Support Group for Ukraine is playing a key role with the Commission in all these areas. Despite very challenging circumstances – the Ukrainian government has made progress in implementing the Association Agreement. The National Anti-Corruption Bureau and new national police have started to work. The selection process for an Anti-Corruption Prosecutor has been completed. The government has also adopted a law on the natural gas market, which aims at bringing the gas sector of Ukraine in line with the EU Third Energy Package”*.

Regarding Visa facilitation agreements and readmission agreements, they were signed by all EaP countries except for Belarus. The visa liberalization dialogue is ongoing with Ukraine and Georgia and has been completed with Moldova. Also in place are the Mobility Partnerships with Moldova, Armenia, Georgia and Azerbaijan. The most advanced country in the visa liberalization process is Moldova whose citizens are allowed to enter the EU without visas (provided they are holders of biometric passports and for the temporary residence of up to 180 days). In December 2015 the European Commission issued a positive recommendation regarding the fulfilment of the second phase of VLAP by Georgia and Ukraine. Introducing appropriate legislation enabling the entry into force of the visa-free regime will require the approval of the European Parliament and the Council (i.e. all EU member states). Armenia and Azerbaijan have also achieved progress in the visa liberalization process. Both countries have signed VFA&Rs in 2014 – on 1st January and 1st September respectively. Additionally, Armenia declares the willingness to start the VLAP process. The negotiations of equivalent agreements with Belarus are in progress since January 2015.

88 The Document is available at the following link: http://eeas.europa.eu/enp/pdf/2015/georgia-enp-report-2015_en.pdf

89 The speech is available at the following link: http://europa.eu/rapid/press-release_SPEECH-16-121_en.htm

2.2.2 Multilateral Dimension

The multilateral framework of Eastern Partnership provides for a forum to share information and experience on partner countries' steps toward transition, reform and modernisation. It is aimed at fostering links among partner countries themselves and it is a forum for discussion on further developments of Eastern Partnership. The multilateral track is a novelty for Eastern Partnership countries. The region has seen a few initiatives of regional cooperation, which had limited successes (i.e. GUAM, Black Sea Forum, Community of Democratic Choice and others). In this case, multilateral dimension is aimed to become a platform of regional cooperation and exchange of experience between the EaP countries. In addition, it is expected to become an instrument for the 'gradual Europeanization of the Eastern neighbours – with the 'centre of gravity in Brussels'. Finally, under this dimension, the previously discussed DCFTA may become a free trade area in the Eastern neighbourhood under the multilateral dimension. The main instruments of Eastern Partnership multilateral track are the four Thematic Platforms for technical work and the six Flagship Initiatives.

2.2.2.1 Thematic Platforms

The multilateral cooperation envisaged by Eastern Partnership is mainly based on four thematic platforms, whose work programmes were in the beginning of 2016, to better reflect the current needs and priorities of partners.

Democracy, good governance and stability: Work under the EaP Platform on Democracy, good governance and stability aims at strengthening democratic principles and good governance in areas such as public administration, civil service, judiciary, management of state borders, fight against corruption, elections, asylum and migration, Common Security and Defence Policy, civil protection, police cooperation or cybercrime. Work in these areas promotes the application of good governance and appropriate reforms by learning from others and by means of targeted pilot projects. In order to fulfil these objectives and provide a space for policy discussion and exchange of best practices in these areas, a series of specific Panels have been established under Platform 1:

- **Administrative Reform** - aims at fostering cooperation with partners to make public administration more effective, improve civil service integrity and develop e-governance and data protection capacities. It also intends to promote local democracy, focusing on building support for reforms and receiving capacity for foreign assistance projects, sharing reform practices and analysing the main obstacles to sectoral reforms.
- **Integrated Border Management** - in order to help share best practices, strengthen cooperation between customs and border services and develop the Eastern Partnership IBM Flagship Initiative.
- **Justice** - the Panel serves to facilitate exchange of information and best practices in the field of the judiciary so as to promote adherence to European standards. It also contributes to bilateral reform benchmarks agreed in Action Plans or Association Agendas with Partner Countries.
- **Fight Against Corruption** - to help share information and best practices on how to best build integrity, prevent and prosecute corruption, and meet international standards, especially those enshrined in relevant Council of Europe and UN conventions.
- **Migration and Asylum** – which serves to pursue dialogue and cooperation in the framework of the Global Approach to Migration and Mobility (GAMM) and assist Partner Countries in meeting the agreed reforms in bilateral Action Plans and Association Agendas.

- Common Security and Defence – to develop a dialogue on political and practical aspects of participation by interested partner countries in EU CSDP missions and operations. The Panel on CSDP also facilitates implementation of the bilateral Framework Participation Agreements.

Economic integration and convergence with EU policies: Cooperation under the EaP Platform on Economic integration and convergence with EU policies promotes smart, sustainable and inclusive development of a free market economy in partner countries. Cooperation in this area helps growth and employment. For Georgia, Moldova and Ukraine it is important to address the application of their Association Agreements including Deep and Comprehensive Free Trade Areas (AA/DCFTAs) in trade and related regulatory cooperation, standards, sanitary and phytosanitary measures and customs. Economic cooperation with the EU and the streamlining of sectoral policies is just as important for Armenia, Azerbaijan and Belarus. Under this platform, several dedicated Panels were set up:

- Transport – the aim is to improve connections between the EU and its partners. It helps partners to prepare and implement infrastructure projects (Eastern Partnership transport network) and share best practice on innovative infrastructure financing, efficient traffic management systems and increased transport safety and security.
- Small & Medium-sized Enterprises (SME) - cooperation focuses on applying EU best practices to achieve sustainable economic development. The EU funds various projects supporting small businesses in the region. The Eastern Partnership Business Forum strengthens contacts between businesses and cooperation between small firms. Small and Medium-sized Enterprises are key for a sustainable economic development. Partner countries are increasingly participating in the Programme for the Competitiveness of Enterprises and SMEs (COSME).
- Environment & climate change – offers opportunity to obtain information on the specific acquis and exchange best practice on its implementation. Climate change discussions favour closer cooperation on global climate negotiations. Collecting, sharing and using data to design and implement environmental policy is another focus of cooperation.
- Trade & related regulatory cooperation - focuses on quality control and certification for the goods and services; on animal and plant health measures; on customs – facilitation of circulation of legally traded goods.
- Agriculture & rural development - uses the EU countries' experience with helping develop and implement modern, viable, sustainable farming and rural development strategies. Cooperation on agriculture and rural development is using the experience accumulated in the EU Member States to support the development and the implementation of modern, viable, sustainable long-term agricultural and rural development strategies.
- Statistics – the aim is to provide data as a basis for good governance and decision-making and the monitoring of the policies implemented.
- Harmonisation of Digital Markets - this new Panel has started its activity aimed at enabling individuals and businesses, irrespective of their nationality or place of residence, to exercise online activities seamlessly, under fair competition and with a high level of consumer and personal data protection. Harmonised digital markets will foster better online services at better prices, offer more choice and boost employment. Existing companies will be able to grow faster and start-ups will be created more easily within a Pan-European digital market. The Panel has adopted an ambitious Action Plan whose implementation is foreseen over the next couple of years, including sharing infrastructure for electronic communication networks, e-Signature and e-Government.

Energy Security: Cooperation on Energy Security addresses diversification of electricity, gas and oil interconnections, as well as energy efficiency and renewable energy. More integrated energy

markets allow for an increased competitiveness, diversification of energy supply sources and transit routes and also facilitate the integration of variable renewable energy sources into the energy system. Energy efficiency and renewable energy, if exploited to their full potential, contribute significantly to energy security by decreasing dependency on imported fossil fuels. Establishment and strengthening a regulatory framework in nuclear safety contributes to the safe use of nuclear energy in partner countries where nuclear energy is part of their energy mix. Under the Energy Security platform, multilateral cooperation addresses issues such as:

- Developing electricity, gas and oil interconnections helps integrate European energy markets. The advantages are more diverse energy supply sources & transit routes, with increased resilience at both national and regional level, greater competitiveness, a more secure energy supply overall and better integration of variable renewable energy sources into the energy system.
- Energy efficiency and renewable energy sources improve energy security by reducing dependence on imported fossil fuels and moving towards a low-carbon economy. However, integrating variable sources of renewable energy means adapting generation, transmission and distribution systems.
- Establishing and strengthening a regulatory framework for nuclear safety is important to the EU and its partners. Activities offer partner countries the opportunity to participate in nuclear safety stress tests, while being updated by EU experts on developments and legal initiatives relating to nuclear safety and radioactive waste management.

People-to-people contacts: More interaction between EU citizens and those of partner countries promotes better understanding between the people. This platform involves students, teachers, researchers, young people, artists and arts professionals. The key aims are to:

- boost partner countries' participation in EU international cooperation programmes
- improve their capacity to reform
- boost cooperation
- share good practice between education and training authorities, higher education and research institutions, and the youth or arts organisations of the EU and its partners.

The work in this area focuses in particular on students, teachers, researchers, young people, artists and cultural professionals. It involves a number of EU international cooperation programmes: Erasmus+ in the area of education and youth, Creative Europe in culture and media, Horizon 2020 and Marie Skłodowska-Curie in research and innovation. As of 2014 a wide range of activities in the fields of education, training, youth and sport are available to the EaP partner countries through Erasmus+ providing learning mobility, opportunities to build partnerships and deliver system reforms. Participation of EaP researchers in EU programmes has increased with Moldova becoming associated to Horizon 2020 programme since 2014, Ukraine in 2015 and Armenia and Georgia exploring their possibilities. The launch of the E@P Connect initiative will help linking the research and academic communities in the Eastern European partner countries to the Pan-European research and education network GEANT. The arts and audio-visual sector has benefited from the Eastern Partnership Culture Programme (I and II). Participation in 'Creative Europe' and the 'Study' facility helps promote cooperation among artists and arts professionals, and promotes policy development in partner countries. Eastern European researchers and research organisations are now participating more in research and innovation. The Panel on Research and Innovation boosts and streamlines the cooperation in the area of research and innovation, including EU and partner countries' policies and programmes (e.g. Horizon 2020, Marie Skłodowska-Curie actions), The Panel has agreed on collaborative research activities in three societal challenges: health, demographic change and well-

being, climate action and environment, secure, clean and efficient energy. Regional cooperation on e-infrastructure in research and education networking (E@PConnect) is underway with a view to stepping up scientific cooperation between the EU and its partners.

These four platforms are the main areas of cooperation at the multilateral level between the EU and the whole region. It was expected that the platforms would serve as a space for open and free discussions between the high level civil servants. The meetings were planned to be held twice a year on a specific topic. The platforms report to the annual meetings of the Ministers of Foreign Affairs on the progress achieved. As for today, from the report of the Ministers of Foreign Affairs we can see that a few meetings, seminars and trainings were held related to the platforms. Civil servants have also presented some projects proposals and discussed the priority areas for each country and the region in general. Unfortunately, there is a general lack of information in form of reports that could give us an understanding of the effectiveness of these discussions or if the project proposals were taken into consideration.

2.2.2.2 Flagship initiatives

A second kind of initiatives of the EU in the multilateral format are the six Flagship Initiatives, that are designed to give additional momentum, concrete substance and more visibility to the Partnership. They should seek to mobilise multi-donor support, funding from different IFIs and investment from the private sector. The most relevant flagship initiatives are the following:

Integrated Border Management Programme: Borders are sensitive areas for nation states, where activities related to trade, people movement and security take place. Customs fraud, trafficking and illegal migration are some of the most common challenges that need to be tackled along borders through a cooperative strategy. The Eastern Partnership Integrated Border Management Flagship Initiative was created in 2010 with the following key objectives:

- improve security, reduce smuggling and human trafficking, facilitate mobility of people across non-EU borders;
- help partners develop IBM strategies, align border management rules and adopt best practices in line with EU standards;
- enhance multilateral cooperation and networking among partners, candidate countries and EU Member States;
- contribute to the fulfilment of border management benchmarks of bilateral Visa Dialogues between the EU and partner countries.

The IBM Flagship is supported by the Eastern Partnership Expert Panel, which was established in 2010 to act as a policy forum and coordination platform for the EU support to IBM in the region. In addition, the Panel pays particular attention to cross-cutting issues such as human rights and fight against corruption. When designing and implementing IBM Flagship projects, particular care is taken that border security and trade facilitation activities are in balance, complemented by measures enhancing the respect for human rights and fundamental freedoms. The projects offer two types of activities:

- Capacity building activities (for example training courses), organised as much as possible at regional level. The idea is to bring together all six Eastern Partnership countries so as to encourage the harmonisation of procedures among them.

- Pilot projects, implemented by at least two Eastern Partnership countries. These include small infrastructure investments, equipment and specialised technical assistance to implement the IBM approach at local level.

Travellers and transport companies crossing the borders legally are the final beneficiaries of the projects. Asylum seekers, potential victims of human trafficking and unaccompanied minors also benefit from improved conditions at the border crossings. During the period 2010-2014, the amount allocated for such projects was nearly EUR 37 million.

Small and Medium-size Enterprise (SME) Flagship Initiative; Launched in 2009, the SME Flagship is a wide-ranging regional initiative of the EU, which aims to provide support to Small and Medium Enterprises in Eastern Partnership countries to tackle the common challenges hampering their growth: limited access to finance, difficulty to conquer new markets, lack of business skills and a difficult business climate. SMEs in Eastern Partnership can be prominent contributors to economic growth, allowing adaptation of national economies to the global market. Small businesses are an important source for jobs and are important to move towards a green economy, which is crucial also to seize new opportunities in innovative and profitable sectors. A vibrant SME sector is also a good remedy against oligarchisation of the economy. In 2015, the SME Flagship consists of a portfolio of active projects of more than € 100 million, out of which € 75 million are provided through European Financial Institutions – leveraging ten times more investment into SMEs in the region.

The SME Flagship complements EU bilateral cooperation with EaP countries on economic development: it brings an overarching framework for issues of regional interest, builds upon international organisations' expertise and ensures coherence in the EU support to SMEs in the region. The SME Flagship Initiative offers support on three levels: at the policy level, the EU works with the OECD to assist Eastern European partner countries in drawing up effective SME policies. This is done through the Small Business Act Assessment and the implementation of related recommendations. The EU also co-finances a project of the World Bank (STAREP) which aims to improve financial reporting in partner countries. For business support organisations the EU has initiated a vast Pan-European networking programme - East Invest, which aims at promoting trade and investment through networking and capacity building of business associations in the Eastern Partnership region. At business level, the EU supports SMEs facilitating their access to finance through a wide range of programmes involving EFIs, such as the SME Finance Facility (implemented by the EBRD, EIB, and the German Development Bank - KfW) under the umbrella of the Neighbourhood Investment Facility. The EU is also co-funding business development services to SMEs through the Small Business Support programme, implemented by the EBRD. Following the same logic, an extended programme has been established for the three countries (Georgia, Moldova and Ukraine) which have signed an Association Agreement with the EU: the DCFTA Facility for SMEs. The DCFTA Facility for SMEs will receive approximately € 200 million of grants from the EU budget, which are expected to unlock at least € 2 billion of new investments by SMEs in the three countries, largely coming from new EFI loans supported by the Facility. Such investments will transform the business fundamentals. The local banking sector, business services to SMEs, trade and quality infrastructure, and the overall business climate will highly benefit from the Facility, creating hereby a virtuous cycle of growth and contributing to significant job creation.

Energy: The Energy Flagship Initiative, launched in 2010, has three main goals: to facilitate the trade of gas and electricity between the EU and the six Eastern European partner countries, to improve energy efficiency and to expand the use of renewable energy sources. This Flagship Initiative is supported by the Eastern Partnership Platform 3 on Energy Security, which is a policy dialogue forum. During its bi-annual meetings, senior officials exchange best practice on the

harmonisation of the regulatory framework with the body of the EU law; the development of energy interconnections, including diversification of supply; the dialogue among stakeholders about energy efficiency and renewable energy, nuclear safety and conventional and unconventional oil and gas resources.

The Energy Flagship is implemented through various programmes, which are part of the EU regional energy strategy covering the six Eastern European partner countries: targeting EaP countries' national authorities, the INOGATE programme supports the economic convergence of energy markets and the enhancement of energy security within the EaP region, implementation of national energy efficiency and renewable energy action plans, including improving the legal framework, and encouraging private investment in energy projects. At municipal level regional support is provided through the Covenant of Mayors and Sustainable Urban Demonstration Energy projects (SUDEP), as well as through the reinforcement of the Eastern Europe Energy Efficiency and Environmental Partnership (E5P). These activities are also part of the newly created Sustainable Municipal Development Flagship Initiative. In addition, the Energy Efficiency Facilities financed through the Neighbourhood Instrument Facility with the European Bank of Reconstruction and Development, stimulate the private sector and SMEs to move towards more energy efficient production systems.

2.2.2.3 Current status of multilateral dimension

Contrarily to the bilateral dimension, the multilateral track of Eastern Partnership reached less accomplishments than expected. The EaP's multilateral track is constantly evolving to accommodate four thematic platforms and to correlate them with the flagship initiatives. This is advanced by individually tailored roadmaps and further supplemented by a range of regional activities, including the Black Sea Synergy initiative, Interstate Oil and Gas Transport to Europe (INOGATE) and Transport Corridor Europe Caucasus-Asia (TRACECA). Technical and financial instruments also abound, often co-opting international stakeholders to ensure success, legitimacy and credibility of the EU's engagement with the eastern region. These policy instruments are duly realized through existing or emergent social structures ranging from regular political summits to mobilizing "all strands of society" – the EURONEST Parliamentary Assembly, the civil society forum, the conference of regional and local authorities (CORLEAP), and the Sopot Business Forum⁹⁰.

However, the multilateral dimension of Eastern Partnership was ambiguously perceived by the EaP countries since the beginning. Regardless of the common past of the countries of the neighbourhood, in 2009 the six ex-Soviet Union countries were (and still are today) a group of states weakly interlinked, with a low motivation to establish a common economic and political space of cooperation in the region. Above all, they did not perceive themselves as a part of the same region. The fact itself of grouping together countries within these two regions is contested, notably in the case of the Southern Caucasus, which has, according to Longhurst and Nies, "been invented by EU policy makers" and does not take account of these three countries' different perceptions of each of their neighbours. That is why these projects did not receive much attention from neither part and were obscured by the prominent bilateral dimension of EaP. Most of the EU projects financed under these flagship initiatives had already started before EaP was launched. The years 2009-2010 were partially blocked by the lack of technical information on how to apply for the EU funding. It can be to a degree linked to the fact that the multilateral level of cooperation was under the supervision of the EEAS. As this institution was recently established and was still in the process of the institutional structuring, some technical elements were left out. None of the countries are

90 Cfr. Korosteleva (2013).

obliged to participate in multilateral activities, since they “should be voluntary and based on the principles of a cooperative approach”; at the same time, “[t]hird states will be eligible for the participation on a case-by-case basis” in activities of EaP. For example, Russia was invited numerous times to participate in EaP activities, but only a few times with a positive response.

An important blaster of EaP are the ‘frozen conflicts’ that EaP countries cannot solve by their own means and forces, while the EU cannot effectively involve due to the veto and/or lobby of the Russia-friendly EU Member States. This is a part of the more general problem of Russian reaction to Eastern Partnership. Many think that better life conditions, prosperity and progress if achieved, in Eastern partners would make separatist regimes or movements seek their future within these countries rather than outside them.

2.2.3 Institutional framework

As we saw in the previous paragraphs, Eastern Partnership is mainly based on agreements and political undertakings by single countries, as its main goal is to bring these countries closer to the EU at the political and economic level. To achieve the goals of the initiative, especially at the bilateral level, a multiplicity of institutional frameworks has been established by the EU and partner countries. The Eastern Partnership initiative engages a wide range of actors, involving government ministries and agencies, parliaments, civil society, international organisations (such as the OSCE, Council of Europe and OECD), international financial institutions, the private sector, economic and social partners in the framework of the multilateral platforms. Here we will see the main institutional frameworks of this initiative.

2.2.3.1 Comprehensive Institution-Building Programmes

The condition for the introduction of ambitious reforms and enhanced cooperation with the European Union is the functioning, within the individual partner countries, of properly prepared public administration institutions. By improving their administration, partner countries will better manage to meet the obligations arising from the new agreements with the European Union. In the Joint Declaration of the Eastern Partnership Summit of 2009, the European Union committed itself to develop a Comprehensive Institution-Building Program individually with each partner country in order to improve their administrative capacity, through training, technical assistance and any appropriate innovative measures. This is a completely new initiative, which so far has not existed in the European Neighbourhood Policy. The CIB is aimed at facilitating the implementation of the DCFTA and the Association Agreements by strengthening the key governmental bodies. This is one of the instruments borrowed from the pre-accession process, where the development of efficient institutions helped countries such as Poland on the path to European Union membership. This process could not, however, be possible without external support. That is why the European Commission invested considerable financial and human resources in reforms in candidate countries. Using this experience, the Eastern Partnership puts emphasis on strengthening institutions in partner countries. The creation of a well-established institutional framework is envisaged by the Association Agreements that the EU signs with its partner countries. The main body of this framework is the Association Council, at the level of ministers, and the Committee at the level of senior diplomats with subcommittees consisting of experts from the EU and the partner country. The added value of this body, contrary to the ones existing in the PCA framework, is that its decisions are of legally-binding nature for both parties. This process is regulated by the principle of joint ownership, that means that the EU assists these countries in conducting relevant reforms, and they have to acquire the relevant knowledge to continue the reform on their own – in other words, both the EU and partner countries are “owner” of the reform process.

With a budget of 175 million euros until 2013, CIB is one of the key priorities for EaP. The first step in launching CIB were finalizing the Framework Documents and Memorandum of Understanding on CIB between the Commission and the five countries (Belarus did not take part in the initiative). As a result of an in-depth assessment of the functioning of the administration in individual partner countries, a detailed list was drawn up comprising key government institutions which need to be reinforced for efficient cooperation with the European Union. For example, Ukraine has chosen three priority areas, namely migration, governmental aid and food safety. The third step before the CIB implementation is the development of the Institutional Reform Plans, which the countries have already started preparing. Most of the countries have already hosted trainings or seminars as a part of CIB in 2010, and most of them have prepared their Institutional Reform Plans and initiated the first projects. Individual EU Member States may render additional financial and advisory support, especially since some of them have vast experience and excellent experts in this field. But the building of democratic and free-market institutions will be successful only once that partner countries fully engage themselves in this process. A significant role can be played not only by politicians and officials, but also by civil society institutions. They should monitor the implementation of reforms and ensure that state institutions become more transparent and efficient in operation, and that the officials and politicians sitting in them are responsible, competent and honest. In order to facilitate these tasks, so-called contact points have been established in the European Union and the partner countries, where interested organisations can obtain information on how to get involved in the abovementioned construction of well-functioning institutions, which determine the project's success.

2.2.3.2 The Euronest Parliamentary Assembly and CORELAP

The Euronest Parliamentary Assembly is the inter-parliamentary forum in which members of the European Parliament and the national parliaments of Ukraine, Moldova, Belarus, Armenia, Azerbaijan and Georgia participate. After the elections in Belarus in 2010 were declared as flawed by the OSCE, the membership of Belarus in Euronest was automatically suspended. The idea to create an inter-parliamentary forum with Eastern Neighbours came up in 2006 in the European Parliament. The aims of establishing such a forum were to promote multilateral parliamentary dialogue, people-to-people contacts, and to spread EU values on the functioning of democracy. Also, other objectives were to deal with issues like energy, environment, public health, fight against crime and terrorism. In its resolution of 15 November 2007 on "Strengthening the EU Neighbourhood Policy", the European Parliament endorsed this idea. On 4-5 June 2008, it organized an ENP-EAST Parliamentary Conference, inviting representatives of the six Eastern Neighbourhood countries. Belarus was represented by extra-parliamentary representatives of the opposition. The final statement called "upon the European Parliament and the national parliaments represented at the Conference to examine the issue of setting up an EU-Neighbourhood-East Parliamentary Assembly, where the European Parliament and participating parliaments could provide appropriate mutual assistance for closer integration with the EU". Since then, the Euronest Parliamentary Assembly holds regular meetings at the Parliamentary level.

Similarly, the Conference of Regional and Local Authorities for the Eastern Partnership, also known as "CORLEAP", is the political forum of local and regional authorities from the European Union and the Eastern Partnership countries. CORLEAP is the only EU platform that offers an opportunity to discuss the contribution by cities and regions in the development of the Eastern Partnership. CORLEAP consists of 36 regional and local politicians: 18 from the EU's Committee of the Regions and 18 from the six Eastern partner countries. CORELAP is expected to be a tool for the local and regional authorities to have a voice within the Eastern Partnership Policy Initiative, to offer regional and local authorities in EaP countries the experience of the decentralization process in the European Union, and to support their efforts in democratic institutions and administrative

capacity-building. The body is co-chaired by the President of the Committee of the Regions and a representative from the partner countries whom is elected by CORLEAP members each year. CORLEAP aims to:

- Coordinate the representation of the local and regional authorities within the Eastern Partnership;
- Complement and support the effort by the EU institutions and other participating stakeholders in delivering the European Neighbourhood Policy;
- Spread the concepts that will bring partner countries closer to the EU and foster the internal reform and capacity building at the local and regional level.

2.2.3.3 The Civil Society Forum

An important role in the implementation of Eastern Partnership is played by civil society. Following the European Commission Communication on Eastern Partnership of December 2008, a Concept Paper on the Civil Society Forum was drafted. It favoured a comprehensive approach to the initiative, allowing for the participation of a wide range of CSOs: trade unions, employers' organisations, professional associations, NGOs, think-tanks, non-profit foundations, national and international CSOs/networks, and other relevant civil society actors from Eastern Partnership countries, but also from EU Member States as well as international organizations and networks. The European Commission itself underlined that *"ongoing reforms [in Eastern Partner countries] require stronger participation of civil society to enhance oversight of public services and strengthen public confidence in them"*. It also proposed *"to support the further development of Civil Society Organisations (CSOs)"* and in particular, *"to establish an Eastern Partnership Civil Society Forum to promote contacts among CSOs and facilitate their dialogue with public authorities."*⁹¹ The Prague Eastern Partnership Summit of 2009 endorsed the idea of establishing an Eastern Partnership Civil Society Forum which would promote contacts among civil society organizations of Eastern Partnership and facilitate dialogue with public authorities. The aim of the Forum was to facilitate the sharing of information and experience on the partner countries' paths towards transition, reform and modernization. In June 2009, all interested parties were invited to submit their expressions of interest to participate in the first EaP CSF Annual Meeting, later renamed General Assembly, in Brussels. Over 200 CSOs attended the first General Assembly on 16-17 November 2009. During the meeting, participants elected the EaP CSF Steering Committee to serve as its governing body.

The EaP CSF aims to strengthen civil society in Eastern Partnership countries as well as to foster cooperation and the exchange of experiences between civil society organisations from partner countries and the EU. Its mission statement is to facilitate and strengthen the active and expert engagement of civil society in the Eastern Partnership and in the Eastern dimension of EU external relations policies. In addition, it aims to further participatory governance and accountable policy making in the democratic transition and European integration of the Eastern Partnership countries, including their prospective EU membership. An active civil society and its cooperation with the EU ensures that "reform objectives agreed with partner countries are a true reflection of their societies' concerns and aspirations". This is identified as the best guarantee to promoting reforms and holding governments accountable.

The active civil society organizations in the EaP countries have established the National Platforms with an aim to have better dialogue with their national governments. The CSF has become a good channel of communication of the civil society organizations and the European Commission. This communication is supported by the Steering Committee. It is expected that

91 More information about the Forum is available at the following link: <http://eap-csf.eu/>

eventually the governments will also join this dialogue. At this stage, according to the Commission, it is planned to gather information from the civil society and potentially to communicate it as the concerns or suggestions to their governments. The Civil Society Forum has become a full partner within the EaP institutional framework. At the national level, the EaP CSF aims to strengthen the diversity and plurality of public discourse and policy making in the Eastern Partnership countries by holding governments accountable and promoting fundamental freedoms, participatory democracy and human rights. The EaP CSF achieves its objectives through implementing flagship projects that monitor and facilitate democratic transition in the Eastern Partnership region, providing direct input and submission of written opinions and recommendations in the early stages of policy making both in the Eastern partners and the EU, conducting advocacy campaigns at critical junctures, monitoring the implementation of commitments and agreements made between the EU and the Partner countries within the framework of the Eastern Partnership.

2.2.4 Budget

Regarding finances, the EU has multiple ways to finance Eastern Partnership activities. The Strategy Paper (2014-2020) and Multiannual Indicative Programme (2014-2017) for Regional East provide for the following priorities for the Eastern Partnership countries: supporting the political association process, contributing to the economic integration and sector cooperation and enhancing civil society's role as a vector for reform. EaP relies on and is embedded in the European Neighbourhood Instrument (ENI) financing framework, that derives from the previous European Neighbourhood and Partnership Instrument (ENPI). The participants of the Prague Summit agreed that beyond the Community grant assistance and national co-financing, the implementation of the Eastern Partnership requires additional financial resources, and they therefore called on other donors, including international financial institutions and the private sector to provide additional financing in support of reforms, flagship initiatives and other projects. The additional funds are foreseen for Institution Building Programmes, Pilot regional development programmes and the implementation of the Eastern Partnership Multilateral dimensions.

2.2.4.1 ENI - The European Neighbourhood Instrument

The European Neighbourhood and Partnership Instrument developed after some decades of EU channelled-funds to its neighbours. In the '90s, grant assistance to Russia and the WNIS was mostly provided through the Tacis programme. Assistance channelled through these instruments over the period 2000-2003 amounted to €3716.1 million. The European Initiative for Democracy and Human Rights (EIDHR), which aimed at promoting the principles of liberty, democracy, respect for human rights and the rule of law in third countries, provided funding for these activities primarily in partnership with NGOs and international organisations. Between 2000 and 2003 €19.3 million have been allocated to projects in Russia and the Western NIS. Lending to Russia has been open since 2001 within a specific mandate, with an overall ceiling of €100 million, in the context of the Northern Dimension to cover environment projects in North-West Russia. Macro Financial Assistance (MFA) has been provided to third countries facing exceptional balance of payments financing needs. The total level of funding for the period 2004-06 under external assistance instruments was €255 million (€ 75 million for Tacis, € 90 million for Phare, € 45 million for CARDS and €45 million for MEDA). Approximately €700 million will be provided for the corresponding EU internal borders under the Interreg programme. The Phare-CBC regulation was amended in October 2003 to include the external borders of Romania and Bulgaria. The Tacis CBC indicative programme, covering the borders between the enlarged EU and Russia, Ukraine, Belarus and Moldova was adopted by the Commission in November 2003.

A European Neighbourhood Instrument was first envisaged in the Commission's March 2003 Communication and further developed in the July 2003 Communication "Paving the Way for a New Neighbourhood Instrument". In the framework of the EU Neighbourhood Policy, most of EU external financial assistance to the neighbourhood was administered by a single financial instrument, the European neighbourhood and partnership instrument (ENPI), and managed by the Development and Cooperation Directorate General, EuropeAid, which funds around 90% of the bilateral/regional actions and contributes 10% towards cross-border cooperation (CBC) and Neighbourhood Investment Facility (a financial mechanism aimed at mobilising additional funding for regional and flagship initiatives). The European Neighbourhood Partnership Instrument (ENPI), which began functioning in January 2007, replaced the TACIS technical assistance programme (for eastern Europe) and the MEDA programme (for the Mediterranean) for the EU Neighbourhood Policy. Almost €12 billion were made available for this instrument over the period 2007–2013, representing a 32 per cent increase over MEDA/TACIS funding in the previous period.

In 2007, the European Neighbourhood Instrument (ENI) replaced the ENPI. This instrument supports cross border co-operation as well as regional co-operation projects involving both EU member states and partner countries. With a financial allocation of EUR 15.4 billion (in current prices), the ENI is the main source of funding to support the implementation of the ENP in the countries of the Eastern Partnership and in the southern Mediterranean from 2014 until 2020. The regulation establishing the ENI was adopted in March 2014. Key priorities for the use of funds are defined in the multi-annual programming documents. The multiannual programming documents build on the strategic orientations of the ENP action plans (Armenia and Azerbaijan) or the association agendas (Georgia, Moldova and Ukraine), the key policy tools of the ENP, setting out each partner country's agenda for political and economic reforms and reflecting the country's needs and capacities, as well as its and the EU's interests. In all other cases (including Belarus), the multi-annual programming documents are called Multi-Annual Indicative Programmes (MIPs) and are accompanied by a strategy paper. A first round of multiannual programming documents (2014–17) was adopted in July/August 2014 for all Eastern Partnership countries, with the exception of Ukraine, where the situation is not conducive to multiannual planning and, for the time being, priorities for the use of assistance are defined yearly. For each country, ENI funds will be invested in three major sectors (such as justice, public administration reform, agriculture and rural development, education or private sector development) to maximise the potential impact on sector reforms. The sectors are identified in the multiannual programming documents, along with indicative earmarking of financial resources. In each country, sector cooperation can be complemented with direct support for the implementation of major agreements with the EU and the dialogue on mobility, and for direct support for civil society. This complementary support is earmarked in the same multiannual programming documents. It builds on two former ad hoc initiatives: the CIB programme and the eastern strand of the Neighbourhood Civil Society Facility. Every year, neighbour countries can access additional funding from the ENI 'umbrella programme', an incentive-based mechanism that rewards progress in building deep and sustainable democracy. This extra funding is not preallocated in the countries' programming documents. The ENI umbrella programme builds on the pilot experience of two previous umbrella programmes: the EaPIC ('Eastern Partnership integration and cooperation') programme 2012–13 for the east and the Spring ('Support for partnership, reform and inclusive growth') programme 2011–13 for the south. In addition to bilateral cooperation, regional and multi-country programmes, the ENI also contributes to the international dimension of Erasmus+ and to cross-border cooperation programmes between EU Member States and neighbour countries.

2.2.4.2 Support for regional cooperation

Eastern Partnership countries also benefit from the ‘Regional east’ programme and from three initiatives open to all neighbour countries: the NIF (Neighbourhood Investment Facility), TAIEX (Technical Assistance and Information Exchange) and Sigma (Support for Improvement in Governance and Management). Every year, the European Commission adopts a number of financing decisions (corresponding to budgetary commitments), which set the main goal, purposes, expected results and financial allocations of several ‘actions’. Actions funded from the budget of a given year are usually implemented over the next 2 to 5 years and generate spending (disbursements) throughout their duration. In 2014, the EU committed EUR152million for regional cooperation and other multi-country programmes. The package includes a number of strategic interventions in different sectors, such as long-term collaboration with the Council of Europe, support for the implementation of transport agreements in the field of civil aviation safety and security, direct support for civil society, and the eastern strand of OPEN (‘Opportunities, participation, engagement and networking’), a major communication programme that will run in the neighbourhood region for the next 4 years. In 2014, the EU disbursed EUR 47 million in total to implement ongoing regional programmes and deliver results, for example, EUR 1 million was disbursed for the project on ‘Air quality governance’ (flagship initiative to promote good environmental governance and prevent climate change), and EUR 1.6 million was spent on the PPRD East project (flagship initiative on prevention, preparedness and response to natural and man-made disasters).

2.2.4.3 Neighbourhood Civil Society Facility

The Neighbourhood Civil Society Facility was funded in 2011–13, with an eastern strand of EUR 40 million. It awarded grants to around 100 leading civil society organisations, most of which work with other organisations in consortia or through sub-granting. The facility opened a major channel for engagement with civil society, learning and exchange that goes well beyond access to grants. In 2014, for example, the EU ran a record number of consultations with civil society in the Eastern Partnership. Recommendations stemming from this dialogue provided input for policy orientations and fed into the design of new programmes. Direct funding helped civil society organisations grow, develop their analytical skills and advocacy capacities and network with and learn from European best practices. Several organisations are now capable of carrying out public accountability work and motivated to do so, even on specialised matters such as the transparency of the national budget. For example, in 2013 Transparency International Moldova partnered up with organisations in Armenia, Poland and Ukraine for the project ‘Engage civil society in monitoring conflict-of-interest policies’. The project was the first attempt to survey conflicts of interest in public administration in Armenia, Moldova and Ukraine. It also provided institutional and legislative analysis to identify the pitfalls in national legislation on conflicts of interests and anticorruption. A specific partnership scheme (coupled with a sub-granting mechanism) was used at local level to identify and report on cases of possible conflicts of interest in public administration. This is only one example of several successful projects made possible by the Neighbourhood Civil Society Facility. In 2014, the EU committed EUR 17.5 million for direct support (stand-alone programmes) for civil society. In Ukraine, civil society will actively contribute to the monitoring of the state building contract; in Belarus the focus will be on free and independent media; in Azerbaijan it will be on the protection of social and economic rights. At the same time, the regional programme offers direct support to the Eastern Partnership Civil Society Forum and to local organisations to develop their networking and advocacy capacities. In addition, new sector programmes incorporate specific provisions to facilitate dialogue between the government and civil society on national policy reforms. In each Eastern Partnership country, a new ‘Roadmap for

engagement with civil society’ — developed in the course of 2014 will guide EU engagement at local level over the coming years. During 2014 we continued to work through the Neighbourhood Civil Society Facility. The EU spent a total of EUR 7.5 million for ongoing grant contracts, and 31 new grants were awarded, based on regional and national calls for proposals launched in 2013 and 2014.

2.2.4.4 Other funding

A variety of external funds and institutions have been put in motion to fund the EaP initiatives. These funds are used to advance the EaP reform agenda through the implementation of CIB programmes which will provide advice and training (e.g., through twinning and TAIEX) to public administrations as well as equipment and specialised infrastructure (e.g., laboratories) needed for their operation. The increased resources will also finance the operations of the platforms and support a number of flagship initiatives. Finally, they will support the establishment of partners’ regional policies fostering stability through the promotion of internal cohesion and the reduction of socio-economic disparities. The EaP Joint Declaration of 2009 encouraged the EIB, EBRD and other International Financial Institutions to step up their efforts to assist all partner countries with the reform and modernization process and to identify suitable investment projects. In December 2010, the European Investment Bank has launched the Eastern Partnership Technical Assistance Trust Fund (EPTATF). The Trust Fund offers a multi-purpose, multi-sectoral funding facility for technical assistance. It is a multi-donor, multi-sector trust fund established by the Bank in December 2010 in response to the need for specific technical advisory support to its lending activities in the Eastern Partnership Countries. In addition to direct project related support, the Trust Fund provides institutional support and capacity building via the Eastern Partnership Internship Programme and the Eastern Partnership Secondment Programme. The Trust Fund elaborates pre-feasibility and feasibility studies, institutional and legal appraisals, environmental and social impact assessments, project management and borrower support throughout the project implementation process, as well as financing upstream studies and horizontal institutional activities. The EPTATF fills critical gaps for the development and implementation of investment projects by providing financing for:

- Pre-feasibility, feasibility and other studies for the preparation of investment projects
- Institutional and legal assessments
- Environmental and social impact assessments
- Project management and/or promoter support throughout the project implementation process
- Upstream studies to identify investment needs and priorities as well as horizontal activities addressing institutional issues and capacity building.

EPTATF is a flexible mechanism, capable of providing rapid support towards meeting evolving needs and capacity development requirements in the Eastern Partnership Countries. Established and managed by the EIB, the Fund benefits from the Bank’s extensive experience and expertise in appraisal and advisory work. Austria, France, Latvia, Poland, Sweden, Lithuania and Germany have already contributed EUR 23.4m to the Trust Fund and more countries are expected to join. Participation enables contributing countries to provide strategic input to the EIB in its response to new challenges in the Eastern Partnership Countries and to enhance the impact of this response. As of July 2015, the EPTATF approved 19 operations for a total value of EUR 18.55m. Moreover, the EIB has set up the Eastern Partners Facility (EPF) at its own risk for an amount of EUR 1.5 billion, with a EUR 500 million ceiling for projects in Russia.

For now, the Council of Europe is contributing to the two policy platforms: Democracy, good governance and stability (Platform 1); Contacts between people (Platform 4). One of the examples

of the projects that has already started is the project called 'Enhancing judicial reform in the Eastern Partnership countries'. It aims at providing a forum with an opportunity to discuss among the participating countries of the applicable European standards as regards the judiciary, drawing on expertise and experience, and extracting key findings for shared use.

Launched in 2012, the 'Eastern Partnership integration and cooperation' (EaPIC) programme provides additional financial assistance to Eastern Partnership countries that deliver on reforms for deep democracy and respect of human rights. On 12 December, the European Commission announced that in 2013, €87 million are granted to Moldova (€35 million), Georgia (€27 million) and Armenia (€25 million). The additional 2013 EaPIC funding will be used in Georgia to improve job market management and the offer of vocational education and training. In Moldova the funding will boost economic opportunities in rural areas, advance reforms in the energy sector (including access to renewable energy), and increase cooperation with the Council of Europe. Additional funding in Armenia will enhance national capacities for migration and mobility management, and support civil service reform and the fight against corruption. Štefan Füle, European Commissioner for Enlargement and European Neighbourhood Policy said about the additional funding in the Eastern Partnership countries. "This year three Eastern partners were rewarded for their efforts in democratic transition and their commitment to fundamental values. We hope that this group will grow bigger in the future. Additional funding means more support for national reforms and joint projects that bring concrete benefits to citizens' lives."

During the last Eastern Partnership Summit in Vilnius, Georgia and Moldova were the two countries that initialled the Association Agreements with the EU, coupled with Deep and Comprehensive Free Trade Agreements. However, Armenia didn't sign the agreement. In 2013 the EU pledged extra €5 million to support EBRD small business programmes in the Eastern Partnership in the framework of two programmes Turn Around Management (TAM) and Business Advisory Service (BAS). This money is aimed at the providing micro, small and medium-sized enterprises with direct assistance from experienced business advisors and consultants, helping them to adapt to the demands of a market economy. The EBRD plans to involve other state bodies that play important role in the successful implementation of the launched by two programmes. Also, the EBRD co-finances significant national projects, for example the loan of EUR 450 million that it gave to Ukraine. The project aims to improve 350 km highway from Kyiv, representing crucial European and national transport corridors largely on the extended Trans-European Transport Network (TEN-T).

2.3 Outcomes

As I mentioned before, on the basis of the principle of differentiation, different countries have reached different stages of integration with the EU, depending on their progresses and their national priorities. The aim of this section is to analyse the outcomes of the Eastern Partnership initiative both at the economic and political level. In the previous paragraphs I outlined the current status of the bilateral and multilateral dimension of EaP. Here, I will focus on the overall results of the initiative both for the EU and partner countries.

2.3.1 Economic Outcomes

There are many kinds of economic benefits that derive from Eastern Partnership, especially for partner countries. Firstly, the EU provides for economic assistance for the implementation of regulations and economic practices in partner countries, and it helps these countries in the development of relevant economic institutions and market opportunities. In particular, the European Neighbourhood Instrument is the main source of funding to support the implementation of the ENP in countries of Eastern Partnership and it helps to develop relevant economic opportunities in these countries. Moreover, once in force, the DCFTAs will allow a progressive liberalization of trade between the EU and these countries, lowering tariffs for imports and exports and thus favouring consumers and producers. Closer economic integration through the DCFTA is considered a powerful stimulant to the country's economic growth. The DCFTA, linked to the broader process of legislative approximation will contribute to further economic integration with the European Union's Internal Market through the progressive removal of customs tariffs and quotas, and by an extensive harmonisation of laws, norms and regulations in various trade-related sectors. This includes the elimination of almost all tariffs and barriers in the area of trade in goods, the provision of services, and the flow of investments (especially in the energy sector). Higher standards of products, better services to citizens, and above all these countries' readiness to compete effectively in international markets should be the result of this process. Most countries also need to improve administrative capacity to ensure levels of food safety to enable them to access EU markets. The goal of free trade in services with and among partner countries also requires further legislative approximation in fields such as company law, accounting and auditing rules. The objective of improving the investment climate, including by ensuring transparency, predictability, and simplification of these countries' regulatory framework helps to facilitate and increase two-way investments.

The economic benefits from this process are expected to be substantial and to accrue both directly and indirectly. Directly, the reduction of tariff and non-tariff barriers to trade should bring about efficiency gains and improve welfare through increased market integration. The indirect effects, particularly on partner countries, are even larger. By bringing the neighbouring countries closer to the EU economic model, also through the adoption of international best practices, the EaP and particularly the proposed extension of the internal market will improve the investment climate in partner countries. This is estimated to provide a more transparent, stable and enabling environment for private sector-led growth. A positive impact on foreign direct investment inflows is expected as a result of a more favourable policy environment, falling trade and transaction costs, attractive relative labour costs and reduced risk. Once Ukraine has taken over the relevant EU acquis, the EU will grant market access for example in areas such as public procurement or industrial goods. Therefore, the DCFTA will create business opportunities in Ukraine and will promote real economic modernization and integration with the EU. As regards the impact of the removal of customs duties entailed by the DCFTA, experience has shown that this short-term loss of import charges will be more than compensated for by the increased revenue received by the state from indirect taxes paid by companies seizing new market opportunities and by the general boost to

the economy. The budget spending on legal and institutional reforms in trade-related areas is supported by the EU along with funds from International Financial Institutions. Bilateral free trade areas are intended to grow into a network of deep and comprehensive free trade area (DCFTA) between the EU and partner countries in the long-term perspective. Ultimately, such a network of DCFTAs would form the basis for a Neighbourhood Economic Community. A precise estimation of the economic benefits for partner countries deriving from the DCFTAs is not yet available, but the EU is very optimistic in this sense.

Under the multilateral dimension, we saw that the SME Flagship is a wide-ranging regional initiative of the EU, which aims to provide support to Small and Medium Enterprises in the Eastern Partnership countries to tackle the common challenges hampering their growth: limited access to finance, difficulty to conquer new markets, lack of business skills and a difficult business climate. SMEs in Eastern Partnership can be prominent contributors to economic growth, allowing adaptation of national economies to the global market. Small businesses are an important source for jobs and are important to move towards a green economy, which is crucial also to seize new opportunities in innovative and profitable sectors. A vibrant SME sector is also a good remedy against oligarchisation of the economy.

2.3.2 Political Outcomes

The official viewpoint from Brussels is that Eastern Partnership has achieved a lot at the political level. The EU maintains that regular meetings between heads of state, government officials, parliamentarians, civil society and business representatives provide the broadest engagement possible and opportunities to understand each other's cultures and to enhance bilateral and regional cooperation. However, since its launch, Eastern Partnership was perceived in different ways in the six partner countries, since they had different level of EU ambitions and aspirations. The lack of political support was manifested during the inauguration summit launching the Eastern Partnership as the most influential figures of the EU Member States were missing. Also the reactions of EaP countries were not completely positive. Ukraine and Georgia were delighted with the Eastern Partnership proposal, but both of them were expecting to see the EU membership perspective in the final document establishing Eastern Partnership. As we saw above, the bilateral dimension achieved considerable results with the signature of the Association Agreements with Ukraine, Georgia and Moldova, the countries that are the front-runner of the EU initiative. Also with regard to visa liberalization and mobility of people these countries are the most advanced in the process of "coming closer to the EU". On the contrary, Armenia had strong ties with Russia, therefore, for this country the Eastern Partnership could be considered too ambitious. Armenia had worked hard to meet the criteria to initial the DCFTA at the Vilnius Summit, but President Sargsyan had to accept Russia's offer of membership of the Eurasian Customs Union (CU), automatically incompatible with the DCFTA. Azerbaijan, according to the representative of the President Aliiev, considered the Eastern Partnership as an 'impetus to Azerbaijan's way for the full cooperation with the EU and filling in [Azerbaijan's] EU policy with a new content'. Participation of Belarus in the Partnership was controversial from the beginning as it was the first time when this country was involved in the EU project directly. Therefore, the EU diplomats, who were willing to give Minsk every chance to cooperate, tried to avoid any public criticism of the President Lukashenko's regime expecting him eventually to involve. Even more controversial results came from the multilateral track of Eastern Partnership, where we saw that the EU's attempts to define the six countries as a "region" met with the opposition of the countries themselves.

Currently, the annual reports that the European Commission produces on the progress made by the EaP countries provide a good record of the achievements from both sides. But while both sides produce many initiatives, implementation often lags behind. Democracy promotion is difficult, as the Eastern European political systems and parties are based on personalities and elites

who want to maintain their power⁹². At the same time, many claim that there was little funding for the ambitious EaP. The initiative benefited from 600 mln Euros which is a quarter of a total funding that was allocated for the East partners for 2010-2013.

Even on the side of the consequences of Eastern Partnership for the European Union's role in global affairs, opinions are divergent. Eastern Partnership can be considered the first comprehensive approach that aims at keeping the neighbours close to the EU by promoting their economic and legislative development and by assisting them in enhancing their administrative apparatus. Therefore, it was surely a way to enhance the EU regional power and influence in the neighbourhood. However, at the level of policies, there were many critics to the EU approach towards its Eastern neighbours. The first objection to the EU strategy toward the neighbourhood lies in the notion of shared values. The rhetoric of shared values, such as human dignity, liberty, democracy, equality, rule of law and human rights is always recalled in ENP/EaP strategy papers and official speeches. According to Tonra (2010) the EU claims its identity based on shared values, traditions and norms to be distinctively European but also claim that these norms are universal in both their origins and in their execution and pursuit. Many question whether these values are based on common ownership or rather they are diffuse. Shared values are almost unequivocally EU-owned, and the ENP is about aligning neighbours to the EU. EaP is thus criticized since it is seen as driven by the EU will of adaptation by neighbours to aims and means determined by the EU and it is directed "at" the transformation of the Neighbouring states rather than being developed "with" them⁹³. In most recent EaP documents the notion of shared values was replaced with the notion of "mutual commitments to rule of law and democracy", but the substance of the concept remains the same. The Commission has held that EaP is a holistic democratization instrument, given that it looks at both 'the rights of individuals and the processes and institutions which form the foundations of a democratic system. One particular complaint is that there was no consultation on, for example, the EaP action plans in most countries affected. In some partner countries civil society platforms were organized specifically to influence the action plan consultation processes. However, the EU met only occasionally, and only with some NGOs, in the course of consultation over the action plans, and rarely against the wishes of the partner government. Some of the most vocal NGO representatives in, for example, Georgia have therefore blamed Brussels for not doing more to put pressure on their government to formalize their involvement in the ENP consultation process and thus to make the consultation a framework for training in democratic dialogue between the government and the tertiary sector. In similar vein, civil society actors within and around the EU are critical of how the EIDHR remains essentially unreformed, despite the sustained debate that took place during 2005 on overhauling this instrument.

Linked to the issue of values, there is the question of the place that the EU gives to EaP countries, and the way in which it conceives the meaning of "partnership". For Keohane the concept of partnership is realized when actors adjust their behaviour to the actual preferences of others through a process of policy coordination. The general definition of partnership does not presuppose the existence of shared values but only of shared interests and benefits and adequate incentive structures. The Lisbon Treaty introduced the Article 8 TUE, according to which partnership should be founded on EU values to foresee reciprocal rights and obligations that *may* ensure joint outcomes. This alters the meaning of partnership in favour of the governance approach and power imposition. The principle of joint ownership – at the level of processes and outcomes – emphasizes equality in the relationship in shaping a policy and common responses to common problems. In order to be effective, partnership presumes a learning process about the partner's needs and preferences and an anticipated outcome which can be driven by self-interests and joint commitments to future mutual goals⁹⁴.

92 Cfr. Habets (2014).

93 Cfr. Korosteleva (2012).

94 Cfr. Korosteleva (2012).

Strongly connected with the concept of partnership there is the concept of “external governance”. Many claim that the EU strategy is based on the assumption of the universality of EU norms. Lavenex sees EU governance applied to non-member states as a perfectly legitimate attempt by the EU to apply its civilizing mission and a strategic attempt to gain control over policy developments in the neighbourhood. External governance is often criticized since the EU does not apply adequate contextualization and it uses rule transfer instead of rule creation. This practice has thus become an independent strategy, according to which the EU seeks to apply internal solutions to external problems. Therefore, in EaP many claim that hierarchical coordination takes the form of authoritative decision. Rigidity, low legitimacy, low cohesion, inconsistency, instability of multi-level governance, inefficiency of the top-down system of coordination and prescriptive character are the main critics to the EU approach towards its neighbours. For the countries involved, this action sends a message of EU superiority, while partnership should be based on the learning from the others and EU external relations would need assure dynamic adjustment of the self to the other.⁹⁵ Without membership perspective, the question is how ENP can be effective with its weak incentive structure, high costs of reform and indeterminate future. The EU struggles to adapt the means to incentive the neighbours in adopting painful reforms in exchange for a less tangible promise of economic integration. EaP's added value was seen in the realization of a more ambitious partnership based on “mutual interests, shared ownership and responsibility”. However, it seems that shared values have been institutionalized as the values of the EU by the Lisbon Treaty and joint ownership replaced by mutual commitments under EaP thus diminishing the meaning of the ownership⁹⁶. The EU thus fails to discriminate between its own priorities and mutual interests. Using external governance rather than partnership EU offers no choice to the outsiders: either cooperation in EU terms or no cooperation at all. From here come the critics that the EU aimed to alter the exterior to its own design, believing that Europe’s history is a lesson for everyone⁹⁷.

Dimitrova and Dragneva point out Russia’s critical role in determining the effectiveness of EU governance in the contested neighbourhood, since, as we will see in the following chapters, Russia’s concept of sovereignty clashes with EU norms and leads to Russian actions that the EU is powerless to counteract with external governance tools. The war between Russia and Georgia in August 2008 demonstrated the limitations of the EU’s governance of the eastern neighbourhood through the ENP, and the EaP have not changed this situation. In the Russia-Georgia war this was most obvious in the disagreements between Member States in terms of which security logic should be operationalised, some Member States clearly believing in exceptional measures, whilst others, because of the fear of antagonizing Russia, called for more engagement through normal and technocratic processes. Indeed, as we will see later on, Russia has been able to offer many of the benefits that the EU has not been able to deliver (like visa liberalisation and financial funding), even more of what the ‘east’ has asked for (in the short term, at least), precisely because of the securitisation of what it sees a critical sphere of influence, even though the methods, principles and processes for achieving this have been far from appealing to those eastern partners that value the EU model of governance.

Finally, conflict management is another important and contested issue of the EU Eastern Partnership policy. Since the early 2000s, the EU has taken action in selected cases to bring about the settlement of conflicts. The most vocal criticism stems from those who view the EU as too concerned about energy security (‘utility’) and not sufficiently concerned with a sustainable resolution of conflicts. For more than a decade Azerbaijan has been disappointed by the EU’s unwillingness to declare clearly that Armenia is occupying Azerbaijani territory. Baku tried to press the 2006 Finnish EU presidency to have its concerns on this point reflected in the ENP action plan; however, in the end, as a consequence of time constraints, as Aliyeva reports, the EU–Azerbaijan

95 Cfr. Ganzle (2009).

96 Cfr. Korosteleva (2013).

97 *Idem*

action plan settled for the OSCE's ambiguous phrasing. Thus the EU appears to have taken a biased stand, favouring one ENP partner over another. Second, Georgia has seen the ENP as an opportunity to gain more substantial, immediate and politically orientated support from the EU to resolve the secessionist conflicts on its territory. In particular, Tbilisi identifies Russia as one of the actors helping to fan the secessionist aspirations of these regions and would like the Union to help it resist such Russian influence there. However, this expectation clearly exceeds what Brussels and other EU capitals are willing to do. Georgian President Saakashvili showed a certain impatience with the EU's timid 'Russia-first' policy, which skews the EU–Georgian relationship in a way which the ENP was allegedly designed to avoid. Saakashvili has even claimed that the EU's technocratic approach is essentially 'outdated', as it continues to provide technical experts and send highly paid European consultants, who provide no added value in addressing the tough questions concerning the country's territorial sovereignty. Therefore, evidence shows that conflict resolution has largely fallen by the wayside, becoming just one of many priorities under the heading of political dialogue, and thus there are few tangible improvements over pre-ENP days. In conclusion, Eastern Partnership, despite its potential for the six countries' economies and political status, is not able to deal with concrete emergencies and requests for risk-management and peace-keeping in partner countries, as the case of frozen conflicts show.

Conclusions

In this chapter we have seen how the EU strategy in Eastern Europe and Southern Caucasus, analysed in the first chapter, is transferred at the level of policies and institutions through the Eastern Partnership initiative. The main conclusions that we can draw from this chapter are that Eastern Partnership is a EU-driven policy that aimed at integrating the Eastern neighbours into the EU economic and political sphere by deferring the prospect of membership. The initiative is based on a multi-vectorial set of policies pursued at the bilateral and multilateral level and covering various areas of cooperation. Some areas of EaP represent strategic interests for the EU, in particular energy and mobility, that correspond to two core EU interests toward its eastern neighbours. Moreover, the initiative responds to the EU's will to ensure security and stability in the neighbourhood, by exporting democracy, norms and values to partner countries. Through this set of initiatives, the EU sponsors these countries' process of "coming closer to the EU" through the process of legislative approximation. The process of integration with the EU is being carried out in a multiplicity of areas, that cover all the fields of cooperation between the EU and partner countries.

As we have seen, the results of Eastern Partnership are controversial. Some countries, such as Ukraine, Moldova and Georgia, have successfully signed Association Agreements and DCFTAs that already entered into force, while other countries, such as Belarus and Armenia did not embark or suddenly stopped negotiations with the EU to follow the path of regional integration with Russia. Given that the signature of the Association Agreements is a major step for the success of EaP framework, it remains to be seen how the numerous provisions of the AA will be implemented. Many critics have been raised toward EaP, especially regarding the EU methods, that become a sort of "external governance" instrument, based on the EU imposition of norms and values, without giving the incentive of EU membership. The revision of the ENP can be interpreted as a shift from an approach based on EU's strategy from one more based on policies and thus from a Euro-centric perspective to a vision that is more concerned with the interests and needs of partner countries.

This chapter, as the previous one, will be used in the fifth chapter to make a comparison with the correspondent policies of Russia in the shared neighbourhood, to see what is their level of compatibility.

Chapter 3 - Russian Strategy

The aim of this chapter is to analyse Russian foreign policy strategy in countries of Eastern Europe and the Caucasus, as I did for the European Union in the first chapter. The two strategies will be compared in the last chapter to assess what is their level of compatibility and what are the causes of EU-Russia tensions in the shared neighbourhood. To make the comparison easier, I tried to give to the two chapters the same structure. The first part of this chapter is dedicated to the analysis of Russian strategy in the shared neighbourhood in the three periods from 2000 to 2016. As in the first chapter, I will use relevant foreign policy documents to point out what are the goals, the strategy and the instruments of Russian foreign policy in the shared neighbourhood. In the division of the period from 2000 to 2016 into three parts, I will consider for each time-framework the Foreign Policy Concepts, National Security Strategies and Military Strategies relevant for our analysis. From this examination, I will be able to present how Russian strategy evolved over time. Then, in the second part of the chapter I will focus on Russian approach toward the European Union. From this structure, we can easily see the parallelism with the chapter on the European Union's strategy, that will be particularly helpful in the last chapter.

3.1 Russian Strategy in the Shared Neighbourhood

Even if the time framework that I delimited for this work starts from the year 2000, it is important to understand what where Russian interests and Russian approach toward the shared neighbourhood before that year. These six countries of Eastern Europe and the Caucasus were once part of the Soviet Union and in most cases still have strong ties with Russia. Geographical proximity, close historical links and for some countries ethnic and cultural commonality give a particular character to Russian relation with the majority of these countries. At the economic level, Russia still has to reconstruct the production chains that existed in the Soviet period among former Soviet countries. At the cultural level, Russian is the main second (or even first) spoken language in these countries, and Russia exercises a discrete level of soft power in the region as a whole. The ethnic dimension also plays a major role for Russia. Belarus and Ukraine are considered as a part of the "Slavic world", and the Kremlin's rhetoric often refers to these two countries as Russian "brothers". Moreover, a consistent number of "ethnic-Russians" live in countries of Eastern Europe, especially Ukraine and Belarus.

Given these strong links, Russian foreign policy evolved throughout time since the fall of the Soviet Union and Russian role in the international system changed in the various Foreign Policy Concepts as driven by internal factors (like economic growth and the strengthening of the state) and external ones (such as the shift from uni-polarity to the poly-centric structure of international relations). Both international influence and local conditions shaped Russian foreign policy strategy and consequently its approach toward the Near Abroad⁹⁸. In the early 90s, after the dissolution of the Soviet Union, Russia was not able to maintain its influence in the neighbourhood, and this vacuum left the door open for the entrance of other actors in the region. Still, since the breakup of the Soviet Union, Russia and its neighbours have taken a number of legal and institutional steps to try to keep economic ties strong. The first was the Commonwealth of Independent States (CIS), created in 1991, just after the dissolution of the Soviet Union. The primary function of CIS has been to assist with issues pertaining to trade, currencies, economic statistics, labour mobility, and financial transactions, as well as other economic concerns. In this way, these countries hoped to

98 For Russia I speak of "Near Abroad" referring to countries of the former Soviet Union excluding the Baltics. This concept thus includes Eastern Europe, the Caucasus and Central Asia. I refer to this notion, rather than "shared neighbourhood" because Russian foreign policy is directed to the region as a whole, that includes the six countries of our analysis.

preserve traditional trade ties. The privileged status of the Near Abroad in Russia's foreign policy grew under the leadership of foreign affairs and then-Prime Minister Yevgeny Primakov, who believed that Russia's attempt to regain its international status involved recovering its role as a centre of influence over the post-Soviet space.

In his keynote article titled "New Integration Project for Eurasia: the Future in the Making"⁹⁹ Vladimir Putin stated clearly and unambiguously that the post-Soviet period had come to an end. Since the 2000s, and in correlation with its enhanced position in the world order, Russia has increased its actions in the neighbourhood, by sponsoring successive models of regional integration at the level of economy, security and strategic relations. The focus of this chapter is on the evolution of Russian strategy in Eastern Europe and the Caucasus, as I did in the first chapter for the EU. With the help of the analysis relevant documents and of the academic debate, I will assess what are the main goals, the strategy and the instruments of Russian foreign policy in the area. As I did for the European Union, I will divide this part into three paragraphs that correspond to three different stages of development of Russian foreign policy strategy toward the neighbourhood. The first period, that goes from 2000 to 2008, is the period in which Russia strives to reach a coherent and determinate strategy for its foreign policy. The years from 2008 to 2014 are characterized by what has been defined a "revisionism" in Russian foreign policy, that is visible from the Foreign Policy Concept of 2013. Finally, since the Ukraine crisis of 2014 there has been a shift in Russian perception of the West and a change in its attitude toward the EU and the Near Abroad. In the following paragraphs I will reconstruct these developments through the use of relevant foreign policy documents and academic literature.

3.1.1 2000 - 2008

The years 2000-2008 were marked by a considerable change in Russian foreign policy if compared to the previous decade. At the economic level, the '90s had been marked by the rise of the oligarchs and by continuous difficulties in implementing a well-functioning market economy. Moreover, internal disorder was also due to the war in Chechnya, that re-started at the end of 1999. In 2000 Putin was elected President of the Russian Federation, and he set as a priority goal the restauration of the internal order after the '90s both at the economic and political level. It is in these years that Russian economy started its rapid growth, thanks to the rise of oil prices and a stable internal situation. The first years of Putin's presidency were characterized by efforts to restore stability and prosperity of the country. The rise in energy prices was a major boost for economic growth and deeply contributed to increase well-being and popular consensus toward government policies. It is in these years that Russia started to develop a more assertive foreign policy, that would eventually emerge since 2006-2008. The main documents of this period are the Foreign Policy Concept and the National Security Strategy of 2000.

3.1.1.1 Foreign Policy Concept, 2000

The first document that would be helpful in our analysis is the Russian Foreign Policy Concept of 2000. As the documents that would be released in the following years, the Concept is divided into various parts, that first assess the challenges and opportunities for Russia in the global arena, and then focus on regional priorities. Regarding the asset of the world order, Russia perceives the United States as a challenge for the emerging world order, since they try to create a unipolar world and to establish limited forums on international security. According to the Concept, *"The strategy of unilateral actions can destabilize the international situation, provoke tensions and the*

99 The speech can be found at the following link: <http://orientalreview.org/2011/10/11/new-integration-project-for-eurasia-making-the-future-today/>

arms race, aggravate interstate contradictions, national and religious strife". On the contrary, Russia sponsors a multipolar system, where countries together work for the collective resolution of global problems. Russia is willing to be a protagonist of the formation of the new world order, that it sees as a major trend for the future and sponsors a new order based on justice, mutual respect, reliable security and the role of the UN as a guarantor of global peace and security. In this new order Russia wants to play a constructive role and to conduct a balanced foreign policy, based on the will to contribute to global security. The main goals of Russian foreign policy are:

To ensure reliable security of the country, to preserve and strengthen its sovereignty and territorial integrity, to achieve firm and prestigious positions in the world community, most fully consistent with the interests of the Russian Federation as a great power, as one of the most influential centres of the modern world, and which are necessary for the growth of its political, economic, intellectual and spiritual potential;

To influence general world processes with the aim of forming a stable, just and democratic world order, built on generally recognized norms of international law, including, first of all, the goals and principles in the U.N. Charter, on equitable and partnership relations among states;

To create favourable external conditions for steady development of Russia, for improving its economy, enhancing the standards of living of the population, successfully carrying out democratic transformations, strengthening the basis of the constitutional system and observing individual rights and freedoms;

These goals are both internal and foreign goals, as they are mainly related to ensuring security and prosperity in Russia – including enhancing the economic performance and the standards of living of the population – as well as to “achieve firm and prestigious position in the world community”, related to Russian interests “as a great power”. The main threats that Russia perceives in the post-Cold War system are military-political rivalry among regions, separatism, ethnic national and religious extremism, selective integration processes, proliferation of WMD.

With regard to the neighbourhood, the region is first mentioned in the part related to general foreign policy priorities, where Russian aims is:

To form a good-neighbour belt along the perimeter of Russia's borders, to promote elimination of the existing and prevent the emergence of potential hotbeds of tension and conflicts in regions adjacent to the Russian Federation;

In the fourth chapter, the Concept presents its regional priorities, with the Near Abroad at the first place:

A priority area in Russia's foreign policy is ensuring conformity of multilateral and bilateral cooperation with the member states of the Commonwealth of Independent States (CIS) to national security tasks of the country.

The emphasis will be made on the development of good neighbourly relations and strategic partnership with all CIS member states. Practical relations with each of them should be structured with due regard for reciprocal openness to cooperation and readiness to take into account in a due manner the interests of the Russian Federation, including in terms of guarantees of rights of Russian compatriots.

Russia supports the process of integration of countries in the CIS format under different-speed and different-levels of integration and promotes the creation of narrower associations, primarily the Customs Union and the Collective Security Treaty. Moreover, Russia recognizes the need to settle conflicts in CIS member states, and to develop regional cooperation in the military-political area and in the sphere of security, particularly in combating international terrorism and extremism. A special emphasis will be given to “*the development of economic cooperation, including the creation of a free trade zone and implementation of programs of joint rational use of natural resources*”. Finally, the Concept remarks the need to fulfil mutual obligations on the preservation and augmentation of the joint cultural heritage in the CIS member states. Also important are the provisions on Russian citizens living abroad, since a priority for Russia is “*to uphold in every possible way the rights and interests of Russian citizens and fellow countrymen abroad; and to*

promote a positive perception of the Russian Federation in the world, to popularize the Russian language and culture of the peoples of Russia in foreign states”.

3.1.1.2 National Security Concept, 2000

In 2000, the Kremlin also published a new National Security Concept. The National Security Concept, compared with the Foreign Policy Concept, is a system of views on how to secure the individual, society and the state against external and internal threats in every sphere of national life. In the document, the world order is seen once again threatened by the US’:

Attempts to create an international relations structure based on domination by developed Western countries in the international community, under US leadership and designed for unilateral solutions (primarily by the use of military force) to key issues in world politics in circumvention of the fundamental rules of international law.

In the emergent multipolar order, Russia will take part in the shaping of the ideology behind the rise of the multipolar world and support a broader integration in the world: *“Russia will help shape the ideology behind the rise of a multipolar world on this basis “*. Russian national interests in the international sphere lie in:

Upholding its sovereignty and strengthening its positions as a great power and as one of the influential centres of a multipolar world, in development of equal and mutually advantageous relations with all countries and integrative associations and primarily with the members of the Commonwealth of Independent States and Russia's traditional partners, in universal observance of human rights and freedoms and the impermissibility of double standards in this respect.

Threats to national security are divided between those of internal and international nature. Internal problems are nationalism, ethno-centrism, separatism, terrorism and organized crime, that also have spill-overs in the border region. International threats are considered states efforts to challenge the role of UN and OSCE, weakening of Russian political, economic and military influence, weakening of integration process of CIS, conflicts at the borders, territorial claims against Russia, attempts by other states to counteract Russian position as a centre of influence in the world and to weaken its position. In particular, the Concept recognizes that a number of states are stepping up efforts to weaken Russia politically, economically, militarily and in other ways. It also considers as the main threats to national security:

Attempts to ignore Russia's interests when resolving major issues in international relations, including conflict situations, are capable of undermining international security and stability and of inhibiting the positive changes occurring in international relations.

Moreover, other threats to national security are the following:

- the danger of a weakening of Russia's political, economic and military influence in the world;
- the strengthening of military-political blocs and alliances, above all NATO's eastward expansion;
- possible appearance of foreign military bases and large troop contingents in direct proximity to Russia's borders;
- proliferation of weapons of mass destruction and their delivery vehicles;
- a weakening of the integration processes in the Commonwealth of Independent States;
- outbreak and escalation of conflicts near the state border of the Russian Federation and the external borders of the member states of the Commonwealth of Independent States.

Therefore, NATO's shift to the practice of using military force outside its zone of responsibility and without UN Security Council authorization is seen as possibly leading to the destabilization of the entire strategic situation in the world. Moreover, the weakening of the integration process in CIS countries is also considered a threat for Russia itself. Russian Foreign

policy is aimed at strengthening multilateral governance under the UN, ensuring global and regional stability, protecting rights of Russian citizens abroad, fully participating in global political and economic institutions. Regarding the instruments to achieve these goals, the Concept expresses the preference of political, diplomatic efforts to solve the conflicts but recognizes the necessity of having a sufficient military power and to manifest Russian military presence in strategic regions. Deployment of troops on a treaty basis is considered necessary to ensure Russian readiness to fulfil its obligations, shape balance of forces, response to crisis situation. However, the use of military force is considered admissible only to repulse armed aggression and to intervene in case of threats to life of citizens and to territorial integrity. Finally, it is also relevant the part of the Strategy that considers the protection of the cultural, spiritual and moral legacy, historical traditions and the norms of social life, the preservation of the cultural wealth of all the peoples of Russia, the formation of government policy in the field of the spiritual and moral education of the population as top priorities for Russian foreign policy. In particular, the preservation of the role of the Russian language is considered a fundamental factor of the spiritual unity for the country. To address these challenges and opportunities, the Concept claims that the foreign policy of the Russian Federation must be aimed, among the other goals, at developing relations with the member states of the Commonwealth of Independent States according to the principles of international law and developing integration processes within the Commonwealth of Independent States that meet the interests of Russia.

The two documents show how Russia was in the process of shaping a coherent and assertive foreign policy strategy at the global level as well as in the neighbourhood. Since the early 2000s Russian efforts were aimed at becoming an independent centre of gravity in the Near Abroad to fortify its stance vis-à-vis its geopolitical competitors – the European Union in the west, and China in the east¹⁰⁰. The reason of this interest in the near Abroad, according to Legvold, lies in three main dimensions: at the political level, Russia has an interest in shaping regional politics, especially as relations between post-Soviet countries remain unstable; at the economic level, Russia's interest in expanding its share of energy ties, trade, and investments also serve to keep post-Soviet states as an important element in Russia's economy, and thus foreign policy interests and for what concerns the security dimension, frozen conflicts, terrorism, role of domestic transformations, the influence of other states on the region are seen as a potential destabilizing factor for Russia. Moreover, as the two documents say, Russian foreign policy projection in the world arena is aimed at achieving the great power status and at becoming one of the leading power of the emergent multilateral world.

In the political realm, this strategy includes regional initiatives intended at preserving Russia's leadership in the post-Soviet space and assuring a political environment favourable to Russian interests, such as the CIS and CSTO. In the military field, the presence of its troops across the region and Russia's prominent role in the protracted conflicts of the post-Soviet space have put a long strain on decision makers in the shared neighbourhood (Trenin, 2009). For Moscow, security in the near abroad is the ability to have friendly regimes at its borders, regardless of their political orientations, that support Russian leadership at the regional level and its projection at the international level¹⁰¹. Moreover, it also means having sufficient military capabilities and integrating its security concerns with those of its neighbours. The CSTO's main goal is to grow into an effective regional security alliance for the 21st century. Economically, Russia has developed several bilateral and multilateral attempts to integrate the markets in its periphery, such as the Single Economic Space. Simultaneously, it has steadily taken a share in the main economic sectors in the region (Tsygankov, 2006) increasing the levels of transactions and interdependence between Moscow and its vicinity, while requiring the maintenance of a political and economic secure environment for the success of Russian business and corporate activism.

100 Cfr. Trenin (2013).

101 Cfr. Dias (2013).

3.1.2 2008 - 2014

As I mentioned before, in the years 2006-2008 Russian foreign policy underwent a process of changes, due to its enhanced role in the global economy and to its rapid economic growth. As Putin stated more than once, Russian political weight must now be at the same level of its economic weight. The Foreign Policy Concept of 2008 sums up the main changes in the international order, and the consequences for Russian position and foreign policy. Therefore, contrarily to the EU, for which the reinforcement of Eastern Partnership in 2008 was a direct consequence of the war in Georgia, for Russia the trend toward the foreign policy revisionism had begun already in 2006 and was only consolidated by the Foreign Policy concept of 2008. In an official address to Russian representatives, in 2006 Putin stated the principles that would constitute the basis of what is considered the first real foreign policy doctrine of Russia. Since Russia had become economically stronger and had overcome the crisis of the previous years, in Putin's mind Russia was ready to re-take its role of great power in international affairs. According to Sakwa, in these years Russia experienced a process of revisionism in foreign policy. Aspiration of Greater Europe – a notion that we will see later on in the chapter – failed, and Russia advanced increasingly ambitious plans for Eurasian integration, which only exacerbated divisions in Europe. The National Security Concept of 2009 framed the principles that Russia should follow to ensure national security in the changed global environment, taking much of the ideas of the Foreign Policy Concept of 2008. The successive Foreign Policy Concept of 2013 reaffirms the same goals and trends in the international arena, taking into consideration the impact of the economic crisis of 2008-2009 on international relations.

3.1.2.1 Foreign Policy Concept, 2008

As I said, the Foreign Policy Concept of 2008 was released as a consequences of the new trends in the international environment, that changed the configuration of the world order as well as Russian position within it.

International developments in the field of international relations in the beginning of the 21st century and strengthening of Russia have required reassessment of the overall situation around Russia, rethinking of the priorities of the Russian foreign policy with due account for the increased role of the country in international affairs, its greater responsibility for global developments and related possibilities to participate in the implementation of the international agenda, as well as in its development.

In this changed environment, Russian goal would be:

To achieve strong positions of authority in the world community that best meet the interests of the Russian Federation as one of influential centers in the modern world, and which are necessary for the growth of its political, economic, intellectual and spiritual potential.

The Concept notes the increased role of Russia in international affairs, that would give it a greater responsibility for participating in global development and to influence global processes to create a just and democratic world order. *“A new Russia, basing on a solid foundation of its national interests, has now acquired a full-fledged role in global affairs”*. Therefore, *“foreign policy becomes one of major instruments of the steady national development and of ensuring its competitiveness in a globalizing world”*. After enlisting the threats to global security, that are the same of the previous concept (international terrorism, narco-traffic, organized crime, spread of weapons of mass destruction and means of their delivery, regional conflicts, demographic problems, global poverty, illegal migration), the Concept for the first time calls the attention to the cultural and civilizational diversity of the modern world, that is increasingly in evidence. The reference is to religious

extremism, but also to the attitude of the West toward Russia, that once again is perceived to be willing to impose its vision of the world order:

The reaction to the prospect of loss by the historic West of its monopoly in global processes finds its expression, in particular, in the continued political and psychological policy of "containing" Russia, including the use of a selective approach to history, for those purposes, first of all as regards the World War Two and the post-war period.

The unilateral action strategy leads to destabilization of international situation, provokes tensions and arms race, exacerbates interstate differences, stirs up ethnic and religious strife, endangers security of other States and fuels tensions in inter-civilizational relations. Coercive measures with the use of military force in circumvention of the UN Charter and Security Council cannot overcome deep social, economic, ethnic and other differences underlying conflicts, undermines the basic principles of international law and leads to enlargement of conflict space, including in the geopolitical area around Russia.

Therefore, Russia is perceived under threat in this trend toward a civilization divide around the world. In particular, Russia sees itself excluded from the Western vision of the international order, and criticizes selective integration projects sponsored by the West. The critic to the West is expressed as following:

Integration processes, including in the Euro-Atlantic region, are often of selective and restrictive nature. Attempts to lower the role of a sovereign state as a fundamental element of international relations and to divide States into categories with different rights and responsibilities, are fraught with undermining the international rule of law and arbitrary interference in internal affairs of sovereign States.

To achieve Russian main international goal, that is strengthening its global position and play an important role globally, the Concept considers of fundamental importance a strengthened Russian statehood, stable economic growth, further political and economic reforms, resolution of social problems, overcoming of the resource-based economy and its transition to innovations, as well as improved demographic situation.

On the contrary, Russia is willing to integrate with the international community and must create a positive image of itself in the international community "*as a democratic state committed to a socially oriented market economy and an independent foreign policy*". For what concerns the neighbourhood, the Concept considers foreign policy priorities:

To promote good neighbourly relations with bordering States, to assist in eliminating the existing hotbeds of tension and conflicts in the regions adjacent to the Russian Federation and other areas of the world and to prevent emergence of the new ones;

Moreover, two other important goals of Russian foreign policy that is emphasized in the Concept are:

To provide comprehensive protection of rights and legitimate interests of Russian citizens and compatriots abroad;

To promote and propagate, in foreign States, the Russian language and Russian peoples' culture constituting a unique contribution to cultural and civilizational diversity of the contemporary world and to the development of an inter-civilizational partnership.

This civilizational dimension is increasingly consistent in Russian foreign policy. The protection of Russian citizens and ethnic Russians abroad, as we will see, is also an important driver of Russian foreign policy and especially regards countries of the Near Abroad.

In the section dedicated to regional priorities, the order of regions remains the same as the previous conception. CIS countries occupy the first position in Russian regional priorities, and in developing relations with these countries Russian approach must be based on the principles of equality, mutual benefit, respect and regard for the interests of each other. As in the previous

Concept, trade and economic relations are considered priority areas of cooperation with CIS countries, on the basis of market economy and an equal relationship. The humanitarian sphere is considered another essential area of cooperation, since it also contributes to preserve and increase common cultural and civilizational heritage. And, also in this Concept, particular attention is paid to supporting Russian compatriots who live in the CIS Member States, as well as to negotiating mutual agreements intended to protect their educational, linguistic, social, labour, humanitarian and other rights and freedoms. Finally, the security dimension is also considered a priority for Russian foreign policy in the CIS. The Concept says that Russia will increase cooperation with the CIS Member States in ensuring mutual security, including joint efforts to combat common challenges and threats, primarily international terrorism, extremism, drug trafficking, transnational crime, and illegal migration. To achieve these goals, the Concept presents the actions that Russia should take in the neighbourhood. In particular, Russia should:

Take steps to ensure further realization of the potential of the CIS as a regional organization, a forum for multilateral political dialogue and mechanism of multidimensional cooperation with priorities set in the areas of economy, humanitarian interaction and combating existing and emerging challenges and threats;

Moreover, Russia will strengthen cooperation with CIS countries in all forms of regional organizations. The Union State and the efforts to develop a common economic space within the Eurasian Economic Community (EurAsEC) and the Collective Security Treaty Organization (CSTO) are considered key instruments to maintain stability and ensure security in the CIS area and to enhance bilateral and multilateral relations with these countries. Regarding conflicts in the neighbourhood, Russia claims that it will continue to actively support peaceful resolution of conflicts in the CIS area.

The principles that are contained in the 2008 Foreign Policy Concept are at the basis of the successive strategy of Russia in the Near Abroad, based on the consolidation of regional cooperation frameworks in the fields of economy and security. Also important for our analysis is to analyse the five principles that were enunciated by Medvedev in August 2008, in the occasion of the war in Georgia. In an interview with a TV station, the then Russian President explained the principles that are at the basis of Russian foreign policy and of Russian strategy in the neighbourhood – and that also drove Russian actions during the war:

- "First, Russia recognises the primacy of the fundamental principles of international law, which define the relations between civilised peoples. We will build our relations with other countries within the framework of these principles and this concept of international law."
- Second, "the world should be multi-polar. A single-pole world is unacceptable. Domination is something we cannot allow. We cannot accept a world order in which one country makes all the decisions, even as serious and influential a country as the United States of America. Such a world is unstable and threatened by conflict."
- Third, "Russia does not want confrontation with any other country. Russia has no intention of isolating itself. We will develop friendly relations with Europe, the United States, and other countries, as much as is possible. "
- Fourth, "protecting the lives and dignity of our citizens, wherever they may be, is an unquestionable priority for our country. Our foreign policy decisions will be based on this need. We will also protect the interests of our business community abroad. It should be clear to all that we will respond to any aggressive acts committed against us."
- Finally, fifth, as is the case of other countries, "there are regions in which Russia has privileged interests. These regions are home to countries with which we share special historical relations

and are bound together as friends and good neighbours. We will pay particular attention to our work in these regions and build friendly ties with these countries, our close neighbours."102

These principles set out Russian goals in the international environments as well as Russian vision of the world order and of the main instruments that it must pursue in its foreign policy. From these principles we can also derive the main goals of Russia in the Near Abroad. The fifth point clearly states that Russia has an “area of privileged interests”, notably the Near Abroad, where it intends to carry on relations of “friendship and good neighbourhood”. This can be interpreted as a goal in itself but also as instrumental to reach other foreign policy goals that involve neighbouring countries. Secondly, as Medvedev’s fourth point makes clear, an important goal is the protection of ethnic Russians living abroad, from repressive policies of foreign countries. This goal is what drove Russian action in the case of Crimea and Donbass, as we will see in the last chapter.

3.1.2.2 National Security Strategy, 2009

In 2009, after the crisis in Georgia, the Kremlin released a new national security concept: the “National Security Strategy of the Russian Federation to 2020”. The Strategy recognizes that Russia has overcome the consequences of the systemic political and socio-economic crisis of the end of the 20th century, *“having stopped the decline in the quality of life of Russian citizens; withstood the pressures of nationalism, separatism and international terrorism; prevented the discreditation of the constitutional form of government; preserved its sovereignty and territorial integrity; and restored the country's potential to enhance its competitiveness and defend its national interests as a key player within evolving multipolar international relations”*. Overall, the Strategy recognizes that preconditions have been formed for the reliable pre-emption of internal and external threats to national security, as well as for the dynamic development and transformation of Russia into a world leader with regards to the level of technological progress, quality of life, and influence over global affairs. As in the previous National Security Concept, national priorities are *“Russian citizens' constitutional rights and freedoms, the stable development of the country, and the preservation of the territorial integrity and sovereignty of the state”*. Regarding the threats to national security, one of the main ones is *“the inadequacy of the current global and regional architecture, oriented (particularly in the Euro-Atlantic region) towards NATO, and likewise the imperfect nature of legal instruments and mechanisms, create an ever-increasing threat to international security”*. A threat to national security is defined as *“the direct or indirect possibility of damage to constitutional rights and freedoms, quality of life, sovereignty/territorial integrity, stable development of the Russian Federation, defence and security of the state”*. Russia sees itself as having the potential to become one of the main leaders of global economy, but a negative influence on the assurance of Russia's national interests *“will be exerted by the likely recurrence of one-sided use of force in international relations, disagreements between the main participants in world politics, the threat of proliferation of weapons of mass destruction and of their use by terrorists, and likewise the improvement of forms of illicit activity in the cybernetic and biological domains, in the sphere of high technology”*. The reference to the West is also reiterated when the Concept states that the possibility of maintaining global and regional stability will substantially decrease with the placement in Europe of elements of the global missile defence system of the United States of America.

Again, as regard as the Near Abroad, the Concept reaffirms that the region is a top priority for Russian foreign policy, in the form of bilateral and multilateral cooperation with member states of the Commonwealth of Independent States. Russia will seek to develop the potential for regional and sub-regional integration and coordination among member-states of the CIS, first of all within the

102 Cfr. Medvedev (2008).

framework of the Commonwealth, and also the CSTO and EvrAzEs, which exert a stabilising influence on the overall situation in the regions bordering on the CIS.

The development of bilateral and multilateral cooperation with member states of the Commonwealth of Independent States is a priority direction of Russian foreign policy. Russia will seek to develop the potential for regional and sub regional integration and coordination among member-states of the CIS, first of all within the framework of the Commonwealth, and also the CSTO and EvrAzEs, which exert a stabilising influence on the overall situation in the regions bordering on the CIS.

Moreover, the CSTO is regarded as the main interstate instrument for responding to regional threats and challenges of a military-political or military-strategic nature, including the fight with illegal trafficking in narcotic and psychotropic substances.

Russia will promote the strengthening of EvrAzEs as the nucleus of economic integration, and instrument of assistance to the realisation of major hydropower, infrastructural, industrial and other joint projects having a primarily regional significance.

Among the various dimensions of national security that the Strategy considers, the economic dimensions plays an important role also for what concerns the neighbourhood. As Russian economy has grown, bringing Russia to the first places in the global arena, competition for raw materials and energy resources is seen as fundamental to maintain Russian position in the global economy. In this context, the Near Abroad is fundamental to give Russia a space of economic integration and free trade that could be beneficial for the economy.

3.1.2.3 Foreign Policy Concept, 2013

In 2013, the Kremlin released a new Foreign Policy Concept to up-date Russian strategy by taking into account the global financial and economic crisis and the instability in the MENA region. Regarding the trends in the global environment, the current stage of the world development is seen as characterized by profound changes in the geopolitical landscape largely provoked or accelerated by the global financial and economic crisis. International relations are in the process of transition, the essence of which is the creation of a polycentric system of international relations, where international relations become increasingly complex and unpredictable. The ability of the West to dominate world economy and politics continues to diminish. The global power and development potential is now more dispersed and is shifting to the East, primarily to the Asia-Pacific region.

The emergence of new global economic and political actors with Western countries trying to preserve their traditional positions enhances global competition, which is manifested in growing instability in international relations.

The document affirms that bloc-based approach to address international issues is being gradually replaced by network diplomacy based on flexible participation in multilateral mechanisms aimed at finding effective solutions to common challenges. Financial and economic challenges become increasingly evident as negative trends build up in the world economy. Again, the civilizational dimension of global competition is remarked by the Concept:

For the first time in modern history, global competition takes place on a civilizational level, whereby various values and models of development based on the universal principles of democracy and market economy start to clash and compete against each other. Cultural and civilizational diversity of the world becomes more and more manifest.

As the Concept says, foreign policy is one of the most important tools to ensure the steady development of a country and to guarantee its competitiveness in the globalized world. Russia recognizes its special responsibility for maintaining security in the world both on the global and regional levels and is determined to act jointly with all the interested states to address common

challenges. Russia will work to anticipate and forestall events and remain prepared for any scenario in global affairs.

Regarding the neighbourhood, among the basic foreign policy priorities, as in the previous Concept there are the following priorities that concern neighbour countries:

1. promoting good-neighbourly relations with adjoining states and helping to overcome existing and prevent potential tensions and conflicts in regions adjacent to the Russian Federation;
2. ensuring comprehensive protection of rights and legitimate interests of Russian citizens and compatriots residing abroad, and promoting, in various international formats, Russia's approach to human rights issues;
3. promoting the Russian language and strengthening its positions in the world, disseminating information on the achievements of the peoples of Russia and consolidating the Russian diaspora abroad;
4. facilitating the development of a constructive dialogue and partnership relations between civilizations in the interests of enhancing accord among various cultures and confessions and ensuring their mutual enrichment.

Regarding CIS countries, they have once more the first place in Russian regional priorities: *“Priority areas of Russian foreign policy include the development of bilateral and multilateral cooperation with CIS Member States”*, further strengthening of the CIS as a basis for enhancing regional interaction among its participants who not only share common historical background but also have great capacity for integration in various spheres”. On the bilateral level, Russia intends to forge *“friendly relations with each of the CIS Member States on the basis of equality, mutual benefit, respect for and consideration of each other’s interests, seeking to spur up integration processes in the CIS space”*. Moreover, relations of strategic partnership and alliance are developed with those states that show willingness to engage with Russia.

At the multilateral level, the Eurasian Economic Union is seen as the most ambitious Russian integration project in the near abroad, aiming *“not only to make the best use of mutually beneficial economic ties in the CIS space but also to become a model of association open to other states, a model that would determine the future of the Commonwealth states”*. The new union, that is being formed on the basis of universal integration principles, is designed to serve as an effective link between Europe and the Asia-Pacific region. Regarding the sectors in which Russian foreign policy toward the region operates, the Concept also mentions the humanitarian and the security dimensions. According to the Concept, Russia:

Intends to actively contribute to the development of interaction among CIS Member States in the humanitarian sphere on the ground of preserving and increasing common cultural and civilizational heritage which is an essential resource for the CIS as a whole and for each of the Commonwealth’s Member States in the context of globalization.

This reference to the common civilizational heritage of CIS countries is a major component of Russian soft power in the region. Then, we find a reference to the principle that Medvedev stated in 2008: the importance of protecting Russian compatriots abroad. *“Particular attention will be paid to providing support to compatriots living in the CIS Member States, as well as to negotiating agreements on the protection of their educational, linguistic, social, labour, humanitarian and other rights and freedoms”*. As we will see later on, the humanitarian and linguistic sphere played an important part in the Ukraine crisis. With regard to the security sphere, the Concept says that:

Russia will build up cooperation with the CIS Member States in ensuring mutual security, including joint efforts to combat common challenges and threats, primarily international terrorism, extremism, drug trafficking, transnational crime, and illegal migration.

In the field of security, the Collective Security Treaty Organization (CSTO) is seen as one of the key elements of the modern security system in the post-Soviet space. Russia aims to transform the CSTO into a universal international organization capable of counteracting current challenges and threats in the area of its responsibility and the adjoining regions. In order to reach this goal, the Concept lists the priority actions that Russia must follow. First, it has to *“work to further fulfil the*

potential of the CIS and to strengthen it as an influential regional organization, a forum for multilateral political dialogue and a mechanism of diversified cooperation in economy, humanitarian interaction, combating traditional and new challenges and threats". Within these spheres of cooperation, the most relevant one is the economic sphere, where Russia will *"contribute to the implementation of the Free Trade Zone Treaty designed to substantially update the existing legal and regulatory framework of trade and economic cooperation among the CIS Member States"*. To do this, it will support the Eurasian economic integration process, working together with Belarus and Kazakhstan towards the establishment of the Eurasian Economic Union, contribute to engagement of other EurAsEC Member States in this process, take steps to further develop and improve mechanisms and the legal and regulatory framework of the Customs Union and the Common Economic Space. At the security level, it will contribute to the development of the CSTO *"as a key instrument to maintain stability and ensure security in the Organization's area of responsibility, focusing on enhancing its prompt response mechanisms, its peacekeeping potential, as well as improving foreign policy coordination among the CSTO Member States"*. Priority actions are also the promotion of the process of creation of the Union State with Belarus and the amelioration of relations with Ukraine *"as a priority partner within the CIS, contribute to its participation in extended integration processes"* - this gives an idea of the importance of Eastern Europe for Russia. Regarding the possibility that these countries build up other alliances and partnerships with other actions, the Concept says that:

While respecting its Commonwealth partners' right to build relations with other international actors, Russia stands for the full implementation by the CIS Member States of their commitments within regional integration structures with Russian participation, ensuring further development of integration processes and mutually beneficial cooperation in the CIS space.

The Concept then focuses on Russian involvement in frozen conflicts and states that: *"Russia will maintain its active role in the political and diplomatic conflict settlement in the CIS space"*. In particular, it will participate in the settlement of the Transnistria problem *"on the basis of respect for the sovereignty, territorial integrity and neutral status of the Republic of Moldova while providing a special status for Transnistria"*. Moreover, it intends to contribute to the settlement of the Nagorno-Karabakh conflict in collaboration with other OSCE Minsk Group Co-Chairs, *"building on the principles contained in the joint statements made by the Presidents of Russia, the USA, and France in 2009-2011."* In the case of the break-away regions of Abkhazia and South Ossetia, Russian priorities are *"strengthening of their international positions, ensuring sustainable security and their social and economic recovery"*. At the same time, Russia is interested in the normalization of relations with Georgia in the areas in which the Georgian side shows its willingness, while taking into account the existing political environment in the region.

In this framework, an important instrument to address the new challenges is soft power, that can be either beneficial or negative for Russia and other countries:

"Soft power", a comprehensive toolkit for achieving foreign policy objectives building on civil society potential, information, cultural and other methods and technologies alternative to traditional diplomacy, is becoming an indispensable component of modern international relations. At the same time, increasing global competition and the growing crisis potential sometimes creates a risk of destructive and unlawful use of "soft power" and human rights concepts to exert political pressure on sovereign states, interfere in their internal affairs, destabilize their political situation, manipulate public opinion, including under the pretext of financing cultural and human rights projects abroad.

In 2013, a commitment to develop soft power as *"a comprehensive toolkit for achieving foreign policy objectives building on civil society potential, information, cultural and other methods and technologies alternative to traditional diplomacy"* became official Russian policy, as the 2013 Foreign Policy Concept indicates. In an article in Izvestia in October 2011, Putin wrote that the

Eurasian Union will be based on universal integration principles as an essential part of Greater Europe united by “shared values of freedom, democracy and market laws”.

3.1.3 2014 - 2016

As I said in the first chapter for the European Union, also for Russia the Ukraine crisis marked an important event for the development of its strategy toward the Near Abroad and toward Europe. The crisis represented the concrete proof of Russian determination to pursue an assertive role in the neighbourhood, and it showed the compliance of Russian foreign policy with the five pillars of Russian foreign policy outlined by Medvedev in 2008. The Kremlin has not yet released a new Foreign Policy Concept that takes into account the new situation in the neighbourhood – as a proof that Russian foreign policy strategy depends from Russian internal needs and not from the contingent events in the outside world. However, the new Military Doctrine of 2014 and the National Security Strategy of the 31st December 2015 represent an update of Russian perception of the West and of its strategic approach toward the neighbourhood, especially for what concerns the security dimension.

3.1.3.1 Military Doctrine, 2014

In December 2014, after the events in Ukraine and in particular Russian takeover of Crimea, the Kremlin published a new military doctrine¹⁰³. The text was released after NATO's Wales Summit Declaration, that condemned Moscow's actions in Ukraine as illegal from the point of view of international law. The new doctrine is a revision of the previous one of February 2010, of which it repeats much of the language and largely follows the same basic principles. Regarding the status of world affairs, the Strategy notes a prosecution of the trend of the previous years, of increasing global competition and instability in the international arena.

World development at the present stage is characterized by increasing global competition, the tension in the various areas interstate and interregional interaction, values and rivalry development patterns and processes of economic instability political developments at the global and regional levels background of the complications of international relations. Occurs gradual redistribution of influence in favour of new centres economic growth and political attraction.

In particular, the Strategy notes that there are many unresolved regional conflicts, including in the regions bordering on the Russian Federation. The existing architecture of international Security does not provide equal security for all States, and new threats, such as those in the information space and new military dangers are emerging. The main external military dangers are:

1. The growing power potential of the North Atlantic Treaty Organization and its global functions carried out in violation of international law, the presence of members of NATO at the borders of the Russian Federation and the further expansion of the block;
2. The destabilization of the situation in individual countries and regions and the deterioration of global and regional stability;
3. The deployment of military contingents in the territories at the borders of the Russian Federation and its allies, as well as in adjacent waters, including political and military pressure on the Russian Federation;
4. The creation and deployment of strategic systems of missile defence, undermining global stability and violating the balance of forces in nuclear-missile sphere, the implementation of the concept of "global strike", the intention to place weapons in space as well as deployment of strategic non-nuclear systems and precision weapons;
5. Territorial claims to the Russian Federation and its allies and interference in their internal affairs;
6. The proliferation of weapons of mass destruction, missiles and missile technology;

103 The full text is available at the following link: <http://rusemb.org.uk/press/2029>

7. Violation of certain states of international arrangements, as well as failure to comply with previously concluded international treaties in the field of prohibition, restriction and reduction of armaments;
8. The use of military force in the territories contiguous with the Russian Federation and its allies in violation of the Charter of the United Nations and other rules of international law; the presence of conflicts on the territory of the states bordering the Russian Federation and its allies;
9. The presence of ethnic and interfaith tensions, activities of international armed radical groups and of foreign private military companies in the areas adjacent to the state border of the Russian Federation and its allies, as well as the presence of regional conflicts and the growth of separatism and extremism in some regions of the world;
10. The use of information and communication technologies in the military-political purposes for acts contrary to international law, aimed versus sovereignty, political independence, territorial integrity of states and threatening international peace, security, global and regional stability;
11. The establishment in the states contiguous with the Russian Federation regimes, including as a result of the overthrow of legitimate public authorities whose policies threatens the interests of the Russian Federation;
12. The subversive activities of special services and organizations foreign states and their coalitions against the Russian Federation.

The majority of these threats is related to the changes in the regions bordering Russia and to the new situation in Ukraine. In particular, the capacity of NATO, its potential expansion and its global functions are considered the main danger for the Russian Federation. As in 2010, the NATO alliance, or, more accurately, its behaviour and intentions, is classed as a “danger”¹⁰⁴, at the same level of terrorism and violations of international agreements. Other dangers are related to the deployment of military forces at the borders of Russian territory – another explicit reference to NATO’s military exercises in the Baltics and Eastern Europe. Moreover, an important element worth considering is Russian fear of interference of foreign powers in the internal affairs of Russia and its allies. Also conflicts at Russian borders, regional conflicts and the growth of separatism are all references to the new regional and international situation. Russia sees the world as more perilous than in early 2010 and the specific dangers appear to have grown more immediate. For example, the 2010 doctrine spoke of NATO’s (illegal, according to Moscow) intention to develop a global role and capabilities, to deploy military infrastructure near Russia’s borders, and to continue to expand its membership. The current doctrine describes these same things as actions already underway. Similarly, whereas before Russia worried about efforts to destabilize countries and regions, today destabilization has become a reality. This shows the huge impact that the Ukraine crisis had on Russian perception of the West and in increasing its security concerns.

In the doctrine Russia maintains that it will use military force only defensively, when all other options have failed. The doctrine reminds that Russia’s nuclear arsenal is meant to deter both nuclear and conventional conflict, but also that nuclear forces can be used only in the event of an existential threat. The new doctrine is more specific about the Western weapons systems that endanger or threaten Russia. Russia promises to oppose the efforts of others to “attain military superiority” by deploying missile defences, space weapons or strategic conventional precision weapons. New in the 2014 doctrine is also the discussion on the danger of actors using information warfare and political subversion, as well as force, to destabilize and overthrow regimes. Russia itself, it seems, is seen at risk, and Russian youth is particularly vulnerable to subversion. The Kremlin also fears its adversaries’ use of “special forces and foreign organizations.” This is considered a modern warfare, that involves a “complex usage integration of military force and political, economic, information, and other non-military means, accomplished in part through the extensive exploitation of the potential of popular protest and special operations forces.” The description also notes the increasing prevalence of high-technology weapons, high-speed manoeuvre, irregular and contract forces, and so forth, but comes back at the end to “foreign-financed and controlled political forces and social movements.” This is Russian perspective on what happened in Ukraine, and that could happen in Russia itself. The recurring theme of combined

104 Russian documents make the distinction between “dangers” and “threats:” the former designates concerns, the latter possible sparks for conflict.

military, “information,” “communication,” and political methodologies includes a call for dialogue with other states on how to counter such approaches.

Regarding the neighbourhood, Russia considers the CSTO as the main organization responsible to counteract the military weight of NATO and the West and sponsors the increase of powers of the organization. Among the main tasks of the Russian Federation to contain and the prevention of armed conflicts there is:

Strengthening the collective security system in the framework of Collective Security Treaty Organization and increasing its capacity, strengthen cooperation in the field of international security within the framework of the Commonwealth of Independent States, the Organization for Security and Co-operation in Europe and the Shanghai Cooperation Organization, the interaction with the Republic of Abkhazia and the Republic of South Ossetia in order to ensure joint defence and security, maintaining equal dialogue in European security with the European Union and NATO, helping build the Asia-Pacific region a new security model based on collective non-aligned basis;

The language on cooperation with NATO and the EU, while mostly similar, emphasizes the need for new, “non-bloc” security models. The discussion of cooperation in missile defence development emphasizes that Russia requires “equal” involvement with the West in the establishment of the EU security architecture.

3.1.3.2 National Security Strategy, 2016

On the 31st of December 2015, president Putin signed the most recent Russian National Security Strategy, that replaced the previous one. The new strategy takes into consideration the changes due to the new situation close to Russian borders. In the part dedicated to the analysis of Russian role in the modern world, the Strategy analyses the changes in Russian role in global affairs since the previous strategy. It recognizes that Russia has demonstrated the ability to safeguard sovereignty, independence, and state and territorial integrity and to protect the rights of compatriots abroad.

There has been an increase in the Russian Federation's role in resolving the most important international problems, settling military conflicts, and ensuring strategic stability and the supremacy of international law in interstate relations.

Also, the document recognises Russian capacity to recover from Western sanctions:

Russia's economy has demonstrated the ability to maintain and strengthen its potential in conditions of world economic instability and the application of the restrictive economic measures introduced against the Russian Federation by a number of countries.

Regarding trends in the global environment, the strategy notes that the process of shaping a new polycentric model of the world order is being accompanied by an increase in global and regional instability. The competition between states is increasingly encompassing social development values and models and human, scientific, and technological potentials. The negative trend is reinforced by the fact that the role of force as a factor in international relations is not declining. The aspiration to build up and modernize offensive weaponry and develop and deploy new types of it is weakening the system of global security and also the system of treaties and agreements in the arms control sphere. The document affirms that the principles of equal and indivisible security are not being observed in the Euro Atlantic, Eurasian, and Asia-Pacific regions, and militarization and arms-race processes are developing in regions adjacent to Russia:

The build-up of the military potential of the North Atlantic Treaty Organization and the endowment of it with global functions pursued in violation of the norms of international law, the galvanization of the bloc countries' military

activity, the further expansion of the alliance, and the location of its military infrastructure closer to Russian borders are creating a threat to national security.

Then the Strategy refers to Western attitude toward Russia, in particular after the crisis in Ukraine:

The Russian Federation's implementation of an independent foreign and domestic policy is giving rise to opposition from the United States and its allies, who are seeking to retain their dominance in world affairs. The policy of containing Russia that they are implementing envisions the exertion of political, economic, military, and informational pressure on it.

Specifically, regarding Ukraine, the strategy shows how Russia saw the events, and in particular Western actions in the region. The strategy affirms that:

The West's stance aimed at countering integration processes and creating seats of tension in the Eurasian region is exerting a negative influence on the realization of Russian national interests. The support of the United States and the European Union for the anti-constitutional coup d'état in Ukraine led to a deep split in Ukrainian society and the emergence of an armed conflict.

The strengthening of far right nationalist ideology, the deliberate shaping in the Ukrainian population of an image of Russia as an enemy, the undisguised gamble on the forcible resolution of intrastate contradictions, and the deep socioeconomic crisis are seen as turning Ukraine into a chronic seat of instability in Europe and in the immediate vicinity of Russia's borders. In particular, Russia is concerned with the practice of overthrowing legitimate political regimes and provoking intrastate instability and conflicts, that is becoming increasingly widespread. A concerning fact is the growth of *"the network of US military-biological laboratories on the territory of states adjacent to Russia"*. Moreover, Russia is concerned with the intensifying confrontation in the global information arena *"caused by some countries' aspiration to utilize informational and communication technologies to achieve their geopolitical objectives, including by manipulating public awareness and falsifying history"*, that is exerting an increasing influence on the nature of the international situation.

For what concerns the global economic situation, the Strategy recognizes the growing influence of political factors on economic processes and expresses concern toward *"attempts by individual states to utilize economic methods and instruments of financial, trade, investment, and technological policy to resolve their own geopolitical tasks"*, since they are weakening the stability of the system of international economic relations. In response to the growth of international instability, states are frequently assuming responsibility for matters in their regions. Regional and sub-regional trade and other economic agreements are becoming one of the most important means of protection against crisis phenomena.

In this international environment, among Russian strategic interests there are the will to increase the competitiveness of its national economy and consolidate its status as a leading world power, whose actions are aimed at maintaining strategic stability and mutually beneficial partnerships in a polycentric world. These two goals require good and friendly relations with neighbours. The claim to oversee its neighbourhood is legitimized by what Russia perceives as its own state security and the feeling that its sovereignty is under threat by any anti-Russian environment in the Near Abroad. In particular, the practice of overthrowing of legitimate political regimes is becoming more widespread and can be a threat to Russia itself. Among the main threat to state and public security there are:

The activities of radical public associations and groups using nationalist and religious extremist ideology, foreign and international non-governmental organizations, and financial and economic structures, and also individuals, focused on destroying the unity and territorial integrity of the Russian Federation, destabilizing the domestic political and social situation - including through inciting colour revolutions - and destroying traditional Russian religious and moral values.

Inspiring “colour revolutions” is one of the main threats to Russia’s security, the document states. Interestingly, the strategy’s discussion of so-called “Colour Revolutions” is a bit different from past documents, which tended to blame them on foreign agents. While foreign agents are to blame for a great deal in this strategy, the revolutions themselves are here described as the possible work of “*radical social groups, foreign and domestic nongovernmental organizations, financial and economic structures and individuals*” which seek to destabilize Russia. Important provisions for the neighbourhood are also identifiable on the part dedicated to strategic stability and equal strategic partnership. The Strategy, after mentioning the role of BRICS as Russian partners, considers in order the regional organizations of CIS, CSTO and the Eurasian Union.

The development of relations of bilateral and multilateral cooperation with the members of the Commonwealth of Independent States, the Republic of Abkhazia, and the Republic of South Ossetia is for the Russian Federation a key area of foreign policy.

Russia is developing the potential of regional and sub-regional integration and coordination on the territory of the participants in the Commonwealth of Independent States within the Commonwealth itself and also the Collective Security Treaty Organization, the Eurasian Economic Union, and the Union State exerting a stabilizing influence on the general situation in the regions bordering the participants in the Commonwealth of Independent States, the Republic of Abkhazia, and the Republic of South Ossetia.

The strategy advocates the quality development of the Collective Security Treaty Organization and its conversion into a universal international organization capable of confronting regional challenges and military-political and military-strategic threats (including international terrorism and extremism, the illicit traffic in narcotics and psychotropic substances, and illegal immigration) and also threats in the information sphere. Moreover, the document emphasizes the importance of the Eurasian Economic Union, that “*began a new stage of integration in the Eurasian space*”. It specifies that Russia is furthering to the utmost the consolidation of the Union for the continued integration, stable development, all-around modernization, cooperation, and enhanced competitiveness of the economies of the Union's members within the global economy and also to raise the living standard of their population and to ensure the free movement of goods, services, capital, and labour resources and the implementation of joint infrastructure and investment projects.

3.2 The Role of the EU in Russia's Strategy

The aim of this second part of the chapter is to understand what is Russian approach toward the European Union in the context of its the shared neighbourhood. In the first chapter I analysed the evolution of the EU's approach toward Russia, the role that the US and NATO play in influencing the European foreign policy toward Russia and the EU conception of Wider Europe. Similarly, in this part I will focus on the same issues from the Russian perspective. Firstly, I will analyse how Russian approach toward the EU changed in the last years and I will present Russian perspective on the European Union's actions in the neighbourhood. Secondly, I will present Russian vision of the US and NATO, and discuss the role that the United States plays in shaping Russian foreign policy toward the Near Abroad. Finally, I will present Russian conception of "Greater Europe", an integrated economic – and possibly political – area that the Kremlin's rhetoric uses to depict its conception of the ideal share of the European continent.

3.2.1 Russia-EU-Near Abroad

In the first chapter I focused on how the EU approach toward Russia changed over the last decades in parallel with the evolution of bilateral relations and of the EU's strategy in the shared neighbourhood. We saw that the EU initially intended to include Russia in the Neighbourhood Policy, but the two powers ended up in forming a strategic partnership based on bilateral cooperation in the form of the four common spaces. In this paragraph I will present the evolution of Russian vision of the European Union and the role that the EU has in Russian strategy in the shared neighbourhood.

First of all, it has to be said that the West in general and the EU more recently, have always been essential for the affirmation of Russia in the world. According to Tsygankov¹⁰⁵ the West shapes Russian identity and creates the meaningful environment for the definition of Russian national identity and national interests. During the 1990s, Russia viewed the EU as a sort of 'anti-NATO', a benign organization that provided economic and technical support for Russia's transformation, but without substantial strategic weight of its own and with the potential to de-link the United States from Europe – a long-standing Soviet-era foreign policy goal. Also in the 2000s, despite the abandonment of the principle of "democratic solidarity" followed by Kozyrev, Russia continued to consider the EU as a fundamental partner in the international arena. The Foreign Policy Concept of 2000 affirms that "*relations with European states is Russia's traditional foreign policy priority*". One of the main aims of Russian foreign policy in Europe is the creation of a stable and democratic system of European security and cooperation. In that document, Russian attitude toward the EU is completely positive:

Regarding these processes as an objective component of European development, Russia will seek due respect for its interests, including in the sphere of bilateral relations with individual EU member countries.

The Russian Federation views the EU as one of its main political and economic partners and will strive to develop with it an intensive, stable and long-term cooperation devoid of expediency fluctuations.

However, in the course of the 2000s, Russia became increasingly disillusioned regarding Europe, and the principle of "democratic solidarity" was replaced by that of "selective partnership". Despite a successful framework for Russia-EU bilateral relations was established in the principle of Strategic Partnership, divergences on the shape of the new shared neighbourhood started to emerge in the early 2000s and negatively influenced bilateral relations. In particular, Russia wondered whether the EU action in countries of the shared neighbourhood was not shifting from a mere form

105 Cfr. Tsigankov (2006).

of institutionalization of bilateral relations to a well-established and comprehensive foreign policy framework. As I said, the issue of the neighbourhood is particularly delicate for Russia, that believes it has a privileged position in relations with these countries. The European Neighbourhood Policy started to be seen with increasing concerns by Russia, as it could undermine its interests both at the economic and political level. Moreover, Russian initially benevolent approach toward the Neighbourhood Policy was worsened by events that occurred in bilateral EU-Russia relations and in the region in general. An early wake-up call was Bulgaria's introduction of a visa regime for Russian citizens in 2001. This stoked Russian fears not only of lost influence, but also of physical exclusion from a historically close trading partner, holiday destination and loyal ally. EU expansion, it was now perceived, would reshape Russia's economic relations with its former satellites, influencing the environment for over half of its trade and the bulk of its energy exports. Beyond trade, an enlarged EU had the potential to shape the wider environment in which Russian economic interests operated – for instance, EU competition law could limit Russian companies' downstream penetration into retail energy markets. Moreover, events that took place in those years in the shared neighbourhood contributed to increase Russian concerns toward the region.

Until 2004, Russia had not seen the EU as a potential threat in the neighbourhood. It saw EU initiatives in the region as driven by the will to institutionalize its relations with neighbour countries. A detailed discussion of the significance and implications of the EU Neighbourhood Policy began among Russian experts after the European Commission released the Communication on “Wider Europe” that we examined above. Some analysts suggested that not only should Russia integrate into the formats proposed by the EU, but it should also actively promote its own models of cooperation. On the other hand, there were opinions that the Eastern Dimension of the EU's foreign policy carried a number of risks for the Russian interests, particularly since the EU's and Russia's visions of the post-Soviet area were rather divergent. Therefore, Russia's political leaders treated the ENP with caution and even distrust, showing scepticism regarding the idea of a possible Moscow's participation in the ENP as just one of the “neighbours”¹⁰⁶ that should follow the unilateral initiatives of the European Union. As the Finnish researcher H. Haukkala (2008) explains, Russia was unwilling to participate in the ENP mainly because the EU tended to dialog with its neighbours from the position of “normative hegemony,” which implied bringing the national law in compliance with the *acquis communautaire* and the national value system with that of Europe. Instead, Moscow constantly remarked that it would dialog with the EU on an equal footing only, provided that all parties involved would take part in working out norms and regulations of their interaction¹⁰⁷. The principle of equality in interaction between Russia and the EU was later inserted in the 2008 Russian Foreign Policy Concept. However, Russian unwillingness to participate in ENP did not imply its reluctance to the project.

Initially, Moscow viewed ENP as an intrinsic need of the EU to build relations with its new neighbours. Moreover, the initial absence of any negative reaction to the ENP on the part of Russia was partially due to the specific deficiencies of the ENP that had caused some serious discontent with a number of new neighbours. At the beginning of 2004 a good deal of scepticism was still prevalent in Russia regarding the foreign policy potential of the EU as a community capable of uniting multiple states with diverging international interests and priorities. In June 2003, the then Russian deputy prime minister Viktor Khristenko sent a letter to Brussels with a proposal to analyse the compatibility of integration processes in Western and Eastern Europe. At the same time, Khristenko published an article devoted mainly to this question of compatibility in the *Rossiyskaya Gazeta* daily. He wrote: “*Russia is interested in integration with its neighbours in the CIS and in developing relations with the European Union. These two are not alternative directions – they mutually complement each other: an alliance of post-Soviet republics will be better positioned to develop relations with Europe. The establishment of a single economic space with Russia and our*

106 Cfr. Gretskiy (2014).

107 Cfr. Elsuwege (2014, chap. 3).

*neighbours in the East and the West is a long-term objective. Its individual inter-state elements may develop faster than others, depending on the real readiness of each state to pursue deeper integration. As this 'trans-European space' develops, its gravity will increase, attracting more and more CIS countries and our other neighbours. This will create a new quality of economic collaboration in the vast territory of Eurasia, which may become a key growth factor"*¹⁰⁸. Khristenko wanted to send a clear political signal to the EU, making clear that Russia does not object to contacts between the EU and the CIS countries, but such contacts should be mediated by Russia and take place under its supervision and the Common Economic Space of Russia, Ukraine, Belarus and Kazakhstan should be the European Union's partner for dialogue, co-operation, and subsequently, partial integration. The text of the article also suggested that in Moscow's view, Eurasian integration should come before Russia's integration with the European area.

However, as I said, Russia's attitude towards the ENP, as well as to the activity of the EU on the international scene in general, began to change in 2004. That year was marked by two important events that provoked concerns in Russia. In 2003 and 2004, Russia perceived the Colour Revolutions of Georgia and Ukraine as western-sponsored movements for forced change in its area of privileged interests (Sakwa, 2011) aiming at undermining its influence in the region. It considered human rights and democracy export as a cover for major powers to expand their spheres of influence. Russia feared the abandonment by a number of the former Soviet Republics of the strategy of balancing between Russia and the EU, giving way to a closer political and economic integration with the Euro-Atlantic structures. At the same time, 2004 was the year of the big EU enlargement, that mainly included countries of the former Soviet bloc. The enlargement brought two main concerns to Russia. After the 2004 EU expansion, Russia knows that the EU's foreign policy is now also driven by new EU members hostile to Russia – such as Poland and the Baltics. Furthermore, Russia feels that EU enlargement goes together with NATO expansion closer to Russia's borders. Despite Russian attempts to deal only with the EU, the United States remained in the background of each EU's activity in the European continent, and NATO's expansion went often together with the expansion of the European Union. In Russia's security perspective, any further NATO enlargement was considered a threat, especially if it happened in its sphere of privileged interests¹⁰⁹. Therefore, Russia started to be concerned with EU projects in what it perceives an area of Russian traditional sphere of influence.

At the same time, from 2004 to 2008 some major changes occurred also in the field of bilateral relations and in Russian internal foreign policy. Bilateral relations became increasingly more pragmatic, and Russia managed to defer the value rhetoric that had characterized the previous EU-Russia agreements. The gradual deterioration of relationship with the EU was partly due to the EU's insistence on the application of the conditionality principle in bilateral relations. Moreover, as I said in the previous part, this is the period in which Russia started a process of foreign policy revisionism that led it to advocate a more assertive role in the international arena. In the Foreign Policy Concept of 2008, Russia calls for building a truly unified Europe without divisive lines through equal interaction between Russia, the European Union and the United States. This would strengthen the positions of the Euro-Atlantic States in global competition. Russia stands ready to play a constructive role in ensuring a civilizational compatibility of Europe, and harmonious integration of religious minorities, including in view of various existing migration trends. In particular, Russia is interested in developing its relations with the European Union:

The Russian Federation will develop its relations with the European Union, which is a major trade, economic and foreign-policy partner...From the long-term perspective, it is in the interests of Russia to agree with the European

108 Cfr. Gretsikiy (2014).

109 Cfr. Freire (2014).

Union on a strategic partnership treaty setting special, most advanced forms of equitable and mutually beneficial cooperation with the European Union in all spheres with a view to establishing a visa-free regime.

Cooperation and strategic partnership are reiterated in the Security Strategy of 2009, that affirms that *“Russia is in favour strengthening the mechanisms of cooperation with the European Union by all possible means, including the continued formation of common spaces in the economic, educational, scientific and cultural spheres, and in terms of internal and external security”*.

However, in the Foreign Policy Concept, the Kremlin puts the accent on the security dimension of its relations with the EU:

The main objective of the Russian foreign policy on the European track is to create a truly open, democratic system of regional collective security and cooperation ensuring the unity of the Euro-Atlantic region, from Vancouver to Vladivostok, in such a way as not to allow its new fragmentation and reproduction of bloc-based approaches which still persist in the European architecture that took shape during the Cold War period.

The bloc-based approach constitutes one of the main critics that Russia makes to the EU, and the security dimension of the European continent is seen in a concerning way also in the Security strategy of 2009. Things got worse with the EU establishment of the Eastern Partnership project in 2009. Unlike the ENP, the emergence of EaP led to lively debates in the Russian political quarters and the expert community. In March 2009, at the Brussels Forum, Russian Foreign Minister Sergei Lavrov expressed his concern about the ENP Eastern dimension by asking *“whether it is not intended to derail countries [of the former Soviet Union] from the course which they should be able to choose freely.”* Russian latest Foreign Policy Concept stated that *“Russia's attitude towards sub-regional entities or any other entities within the CIS area that excluded Russia would depend on their real contribution to good neighbourly relations and stability, their willingness to take indeed into account Russia's legitimate interests and to respect the already existing cooperation mechanisms”*. As Sakwa (2015) claims, for Russia the expansion of EU presence in Ukraine is not the expansion of democracy but the expansion of a sphere of influence in geopolitical terms. The process of internal configuration of EaP within the EU made Russia to perceive the EaP as being a Polish initiative. In Lavrov's words *“Someone would not mind to put the invited to the EaP countries before a choice: either you are with Russia, or with the European Union.”*

As Lavrov said, Eastern Partnership is seen by Russia as an attempt to enlarge a sphere of influence in these countries by the EU, and Russia *“cannot accept attempts to portray the naturally evolved and mutually privileged relations between the former Soviet republics and some kind of sphere of influence”*¹¹⁰. However, since key EU countries as France and Britain showed little interest in the Prague summit, which provided somewhat of a reassurance to the Russians, Moscow changed the tone of its comments on the EaP. This, however, did not reverse the general feeling of scepticism in Russia towards the initiative itself, which have already become evident during the Russia-EU summit, held in Khabarovsk at the end of May 2009. In the meantime, President Medvedev expressed doubts as to whether the program was indeed “not directed against Russia”. The EaP inaugural summit came under scrutiny of the State Duma parliamentarians of the Russian Federation. The Chairman of the State Duma Committee on Foreign Affairs, Konstantin Kosachev, warned the parties against competing in the post-Soviet area, as it was a “breeding ground” for conflicts that could arise due to an artificial clashing of interests and goals of Russia with those of the West. The parliamentarians predominantly shared the idea that EaP was the European “alternative to the CIS” aiming to oust Russia from the post-Soviet “geopolitical area”. At the same time, both politicians and experts agreed that the EaP project was well designed and took into account the moods of a large part of the post-Soviet elites, whereas the CIS had lost its appeal for the latter, having failed to become an effective structure. Of particular concern for Russian policy makers and experts was the fact that it had taken less than a year for the EU to develop a

110 Cfr. Zagorski (2014).

comprehensive document and reach consensus with all stakeholders, whereas Russia had spent almost twenty years and had not been able to achieve its goals.

It has to be said that Russian position is not per se against the creation of Eastern Partnership, but it becomes contrary to this policy if the EU forces EaP countries to make a choice between Russia and the EU, as in the concrete facts it was. This fact came as a reaction to the statement of the EU former External Relations Commissioner Benita-Ferrero-Waldner that in 2007 excluded the possibility for Ukraine to be a part of free-trade agreements both with Russia and the EU. Moreover, according to Russia, the EU must not seek to undermine Russian projects in the post-Soviet space. The Road Map for the Common Space on External Security states that *“the EU and Russia recognize that processes of regional cooperation and integration in which they participate and which are based on the sovereign decisions of States, play an important role in strengthening security and stability. They agree to actively promote them in a mutually beneficial manner, through close result-oriented EU-Russia collaboration and dialogue, thereby contributing effectively to creating a greater Europe without dividing lines and based on common values”*. So according to Russia, EaP should not undermine Russian-sponsored economic integration projects in the six countries, neither should it question the existent format of conflict resolutions, such as peacekeeping arrangements and negotiation formats, nor confront partner countries with the dilemma to choose between the EU and Russia. Moreover, the following issues were perceived by Russia as particularly threatening:

1. The offer from the EU of an “association” instead of an enhanced partnership and cooperation frameworks;
2. The objective of reaching free-trade with the EU is seen in contrast with the Russian will to establish its own free-trade area with these countries, in particular now that the Eurasian Union has been launched;
3. Ukrainian and Moldovan membership to the European energy community and their full integration with the EU energy market go against the previous political and legal framework that linked these countries to Russia;
4. The alignment of technical standards of these countries with those of the EU, if not matched with a similar harmonization with Russia, will further complicate cooperation and integration of Russia with these states;
5. The free mobility agreements of EaP could complicate the free movement of people between Russia and the EU countries;
6. The Association Agreements contain provisions on the alignment of foreign and security policies of partner countries with that of the EU.

Moreover, Russia criticized the multilateral initiatives promoted by the EU under Eastern Partnership. It pointed out that the group of six countries is heterogeneous in political and economic terms and in terms of regulatory frameworks. As Russia believes, no regional cooperation can be successful if it does not involve Russia, with its special position that links together all these countries at the geographical and economic level. Despite EU reassurances, Russia considered the EaP multilateral framework as directed against it, and despite it was invited in participating in single projects and initiatives, it always kept distant from them¹¹¹.

However, despite this more assertive stance, the West continued to be considered a major partner in the international arena, even if cooperation continued more oriented on pragmatic issues. In the Foreign Policy Concept of 2013, Europe takes the second place after the Near Abroad in Russian regional priorities. Russia is seen as an *“integral and inseparable part of European civilization”*, and Russian objective in its relation with the EU is *“to promote a common economic*

111 Cfr. Tumanov (2011).

and humanitarian space from the Atlantic to the Pacific” and “a common space of peace, security and stability based on the principles of indivisible security, equal cooperation and mutual trust”. The economic field is considered the main area of cooperation for Russia and the EU, but also security plays a big part. The Concept reiterates the importance that Russia gives to the indivisibility of security, and in framing the security dimension into legally binding obligations. Other important issues that are mentioned in the priorities are energy cooperation and visa liberalization. Moreover, the issue of the great power status is also mentioned in this part. Considering the significant role that the European Union plays in international affairs, Russia intends to maintain intensive and mutually beneficial dialogue with EU partners on the key issues of their foreign policy agenda, in order to ensure that the two actors take common decisions followed by joint implementation.

As we saw in the previous part, Russian perception of the European Union and its role in the shared neighbourhood got worse after the events in Ukraine. Despite the revision of the Military Strategy of 2014 and of the National Security Strategy of 2016 mainly regard the US and NATO as a threat, and not the EU, the documents show that Russia perceives and is scared by the affinity of EU and US projects in the European continent. For example, the reference to colour revolutions refers to “foreign agents” as the responsible for the events. Moreover, the two strategies heavily condemn Western economic sanctions imposed on Russia, and consider them a threat for national security. A change of vision and opinion over the West that convinced Russia, according to many scholars and to the Kremlin’s position, to pursue more vigorously the path of the “Pivot to East”.

3.2.2 Russia-EU-US

As I did in the case of the European Union, here I will analyse the role that the US plays in shaping Russian strategy toward the Near Abroad and toward the EU. In particular, I will analyse Russian approach toward NATO, since Russia considers the organization as the main instrument of US actions in Europe, especially in the security field. While the ‘90s had been characterized by the principle of “democratic solidarity” with the West, the first divergences between Russia and NATO emerged in 1999, when Russia strongly opposed NATO’s bombing of Belgrade, that took place without its consultation. However, the Foreign Policy Concept of 2000 recognises the importance of cooperation with NATO in the interests of maintaining security and stability in the continent and says that Russia is open to constructive interaction. Substantive and constructive cooperation between Russia and NATO is only possible if it is based on the foundation of a due respect for the interests of the sides and an unconditional fulfilment of mutual obligations assumed. Concerns derive from the fact that:

On a number of parameters, NATO’s present-day political and military guidelines do not coincide with security interests of the Russian Federation and occasionally directly contradict them. This primarily concerns the provisions of NATO’s new strategic concept, which do not exclude the conduct of use-of-force operations outside of the zone of application of the Washington Treaty without the sanction of the UN Security Council. Russia retains its negative attitude towards the expansion of NATO.

This paragraph has two important implications. First, Russia fears NATO’s use of military force if it is not sanctioned by the UN. Second, Russia is against NATO’s expansion. Russian main concerns in this period are to impede the US and NATO from establishing strategic positions in the post-Soviet space, and slow the drift of sub-regions (Central Asia, Caucasus, etc.) from the Soviet core toward NATO. In particular, Russia is concerned with the continuous expansion of the EU and NATO in the area that was previously a part of the Soviet Bloc, since this process increases Russian sense of insecurity. A series of events in the 2000s contributed to increase Russian concerns over the organization, despite it has to be kept in mind that, in the aftermath of 9/11, Putin was the first leader to call President Bush and offer its support in fighting international terrorism. However,

incomprehensions and divergent approaches in the security sphere worsened Russian relations with NATO and with the US. Since 2000, Putin proposed the reduction of both Russian and American warheads arsenals in the framework of the ABM Treaty, but Bush administration pushed for the installation of the missile defence system in Europe, that was supposed to be effective against the “rogue states” but also put at risk Russian nuclear capacity¹¹². In the same period, Putin succeeded in making the Duma ratify the Comprehensive Nuclear Test Ban Treaty, a ratification that never took place in the US. These divergent views and misunderstandings on European security worsened Russia-US bilateral relations. Another major misunderstanding of that period concerned NATO's enlargement. According to Russia, between Eltsin and Clinton there was a non-written agreement according to which Russia would not interfere in Europe and the US would not interfere in ex-Soviet republics. In respect of this agreement, Russia withdrew its troops from the ex-soviet countries and it expected the US not to further enlarge its “sphere of influence”. On the contrary, the US promoted NATO enlargement, refusing the accusations of having broken a promise made to Russia. NATO's enlargement into what had been the Soviet sphere of influence over the next decade was met with published documents and statements by Russian officials that frequently described NATO as offensive, dangerous, and unreliable. They claimed that NATO had destabilized governments, interfered in the internal affairs of other states, and abrogated treaties. Even as Russia's doctrines and policies insisted that NATO was not a threat, statements of military leaders argued the opposite: NATO's enlargement was threatening, and the United States and NATO were seeking to weaken Russia, undermine the pursuit of its interests and prevent it from re-gaining its historical great-power role. Anyway, regardless of whether NATO was explicitly described as a threat, there is no question that Russians saw existing security institutions in Europe as poorly aligned with their own interests and their expansion as dangerous, if not specifically directly threatening to Russia. Prospective of NATO expansion to Georgia and Ukraine and plans on installation of a US missile defence system in Eastern Europe were also viewed in Russia as threats to national security. Moreover, since the Bush Senior administration, the US followed a special program of democratization of new independent states that included exchanges, foundations, publications directed especially in Ukraine and Georgia, two countries that Russia considers in its sphere of “privileged interests”¹¹³. The Colour Revolutions in Georgia and Ukraine were also considered a result of the US actions to destabilize Russian neighbourhood. Moscow started to believe that the United States was actively seeking to undermine Russian influence by supporting democratic forces. Indeed, democracy promotion is what Russian officials are often talking about when they refer critically to Western “intervention” in their region.

The revisionism in Russian foreign policy led to a change in Russian attitude toward NATO. If in the previous years Russia had criticized NATO's actions and especially its enlargement, the new foreign policy course allowed it to have a more assertive stance also in the security field. In the Munich speech of 2007, Putin made clear that Russia would not tolerate further provocations from NATO and that it had all the necessary means to oppose the US aggressive foreign policy¹¹⁴. He also noted that Russia had respected its promise and had withdrawn its military bases and military arsenal from Georgia and Moldova, while NATO was continuing its Eastern enlargement at Russian expenses. As I said, Russian new foreign policy Concept reflects the new course of Russian foreign policy. It says that it is important to ensure progressive development of interaction within the format of the Russia-NATO Council in the interests of ensuring predictability and stability in the Euro-Atlantic Region, especially in resolving issues relating to responses to common threats, such as terrorism, the proliferation of weapons of mass destruction, regional crises, drug trafficking, natural and man-made disasters. It also affirms that Russia will build its relationship with NATO taking into consideration the degree of the alliance's readiness for equal partnership, a concept that is always

112 Cfr. Donaldson (2009).

113 Cfr. Medvedev's speech (2008).

114 Cfr. Rumer (2009).

emphasized when speaking about the West. Regarding NATO's expansion in the Near Abroad, the Concept says that:

Russia maintains its negative attitude towards the expansion of NATO, notably to the plans of admitting Ukraine and Georgia to the membership in the alliance, as well as to bringing the NATO military infrastructure closer to the Russian borders on the whole, which violates the principle of equal security, leads to new dividing lines in Europe and runs counter to the tasks of increasing the effectiveness of joint work in search for responses to real challenges of our time.

It was for the first time in the occasion of the Georgian War that all the previously hidden incompatibilities between the two countries exploded and that Russia proved to the West that it was ready to use force to fulfil its foreign policy goals and interests¹¹⁵. In the following years, despite the reset policy and the New START, relations between Russia and the US have continued in this framework of mutual mistrust, diffidence and reluctance to establish a durable understanding and a solid cooperation to solve global problems¹¹⁶. The Security Strategy of 2009 affirms that one of the main threats to national security is *“the inadequacy of the current global and regional architecture, oriented (particularly in the Euro-Atlantic region) towards NATO, and likewise the imperfect nature of legal instruments and mechanisms, create an ever-increasing threat to international security”*. Russia is prepared to develop relations with NATO on the basis of equality and in the interests of strengthening the general security of the Euro-Atlantic region. The content and depth of these relations will be determined by the preparedness of the alliance to recognise Russia's legal interests when engaging in military-political planning, and to respect norms of international law; and likewise NATO's readiness to consider the further transformation of these relations and the search for new tasks and functions with a humanist orientation.

The Foreign Policy Concept of 2013 envisages the possibility for Russia to continue collaboration with NATO, if it is based on *“equitable partnership, strict adherence to the norms and principles of international law, real progress towards a common space of peace, security and stability in the Euro-Atlantic region based on the principles of mutual trust, transparency and predictability and compliance with the commitments undertaken by all its members at the Russia-NATO Council meetings not to provide one's security at the expense of the security of others”*. Russia believes that Russia and all Euro-Atlantic states, including NATO member states, have common strategic goals which consist in maintaining peace and stability, countering common security threats, namely international terrorism, WMD proliferation, maritime piracy, drug trafficking, and natural and man-made disasters. However, the Concept also claims that *“Russia maintains a negative attitude towards NATO's expansion and to the approaching of NATO military infrastructure to Russia's borders in general as to actions that violate the principle of equal security and lead to the emergence of new dividing lines in Europe.”* The expansion of NATO and the EU eastwards has changed Russian geopolitical position in Central and Eastern Europe. In Russian opinion, if every country around it are NATO members, Russia will be reduced to the local level and will seriously threaten its area of privileged interests.

If hopes of an amelioration of bilateral relations had been raised in 2010, 2014 marked the turning point toward a definitive worsening of Russia-US relations. Putin's speech on the occasion of Crimea's annexation to Russia, on 18 march 2014, accuses the West to have repeatedly violated international law and presents Russian actions as willing to re-legitimize geopolitical spheres of influence as an organizing principle of international life¹¹⁷. Since then, the official rhetoric of Russian politicians and scholars became definitively critical of the West. At the Valdai Discussion Club of 2015 Putin stated that *“The end of the Cold War put an end to ideological opposition, but the basis for arguments and geopolitical conflicts remained. Today, attempts to promote a model of*

115 Cfr. Shakleina (2010).

116 Cfr. Charap (2010)

117 Cfr. Liik. (2014).

unilateral domination have led to an imbalance in the system of international law and global regulation, which means there is a threat, and political, economic or military competition may get out of control.” With regard to the security sphere, Putin said that the US used the threat of a nuclear missile attack from Iran as an excuse has destroyed the fundamental basis of modern international security – the Anti-Ballistic Missile Treaty, from which the United States has unilaterally seceded. Moreover, he claimed that the global information space is also shaken by wars today, where the ‘only correct’ viewpoint and interpretation of events is aggressively imposed on people, certain facts are either concealed or manipulated. *“We are all used to labelling and the creation of an enemy image. The authorities in countries that seemed to have always appealed to such values as freedom of speech and the free dissemination of information – something we have heard about so often in the past – are now trying to prevent the spreading of objective information and any opinion that differs from their own; they declare it hostile propaganda that needs to be combatted, clearly using undemocratic means”*¹¹⁸.

Similar ideas were expressed by Putin at his speech at the UN General Assembly of 2015. In that occasion he claimed that *“We all know that after the end of the Cold War the world was left with one centre of dominance, and those who found themselves at the top of the pyramid were tempted to think that, since they are so powerful and exceptional, they know best what needs to be done and thus they don’t need to reckon with the UN”*. With what seems to be a reference to the Arab Springs, the Colour Revolutions, the concept of humanitarian intervention and the situation in Ukraine, Putin maintained that *“instead of learning from other people’s mistakes, some prefer to repeat them and continue to export revolutions, only now these are “democratic” revolutions.”* Russian perception here is that the West is using democracy promotion as a cover to advance its strategic objectives, including regime change. The main instrument are the colour revolutions and the extensive presence of Western civil society organizations in the countries concerned¹¹⁹. Regarding NATO, Putin said that *“Sadly, some of our counterparts are still dominated by their Cold War-era bloc mentality and the ambition to conquer new geopolitical areas. First, they continued their policy of expanding NATO – one should wonder why, considering that the Warsaw Pact had ceased to exist and the Soviet Union had disintegrated. Nevertheless, NATO has kept on expanding, together with its military infrastructure. Next, the post-Soviet states were forced to face a false choice between joining the West and carrying on with the East. Sooner or later, this logic of confrontation was bound to spark off a major geopolitical crisis. And that is exactly what happened in Ukraine, where the people’s widespread frustration with the government was used for instigating a coup d’état from abroad”*¹²⁰.

The National Security Strategy of 2016 contains similar statements. It is often depicted as a reaction to the U.S. version released in February 2015, that accused Moscow to have “repeatedly demonstrated that it does not respect the sovereignty of its neighbours and is willing to use force to achieve its goals.” In an inversion of the facts, Russian officials claim that NATO has greatly expanded its military presence in Europe’s east and it threatens Russia’s vital interests and undermines the government in Moscow. The Strategy accuses Washington to “seek to dominate global affairs” and risk new conflicts, and it accuses the US of undermining Russia through “political, economic, military, and informational pressures”. It also denounces Washington for damaging Russia’s “national interests”. The document condemns NATO’s enlargement, as it is considered a threat for Russia: *“Expanding the force potential of NATO and endowing it with global functions which are implemented in violation of international law norms, the block’s military activation, its continued expansion, the approach of its military infrastructure to Russian borders,*

118 More information is available at the following link: <http://www.russianmission.eu/en/news/vladimir-putin%E2%80%99s-annual-news-conference>

119 Cfr. Sakwa (2015).

120 The speech is available at the following link: <http://www.russianmission.eu/en/news/president-vladimir-putin-addresses-un-general-assembly>

all create a threat to national security". The strategy also accuses the U.S. to reinforce its military potential in the Baltics and to spread "military-biological" labs near Russia's borders. Moreover, the new Strategy expresses Russian worries about what it terms "Western efforts to create flashpoints of tension in Eurasia", which pose a challenge to Russian national interests, the overthrow of legitimate regimes, and provocation of domestic instability and conflict abroad. Russia's Foreign Ministry accuses Washington of inciting tensions and nurturing "anti-Russian phobias" throughout Central and Eastern Europe. As an example, the document recalls Western support for the overthrow of Ukraine's government as challenges to Russian interests. Russia's independent policies are provoking resistance from the US and its allies, the document states. *"Russian Federation's independent internal and foreign policy is causing counter-actions by the US and its allies which are seeking to preserve their dominance in global affairs"*. On the domestic front, Russia's national security strategy cites other significant threats emanating from the US, including economic pressure, energy weapons, and the instigation of "colour revolutions" to undermine Russia's territorial integrity and national survival. The imposition of financial sanctions on Russia was also allegedly intended to eliminate the country as a competitor in the global economy. Western sanctions are described as at least a partial cause of Russia's economic woes, but are not tied to Ukraine, and, indeed, are given no particular background. Nevertheless, *"Russian Federation is in favour of strengthening mutually beneficial cooperation with European countries and the EU, and of harmonizing the integration projects in Europe and in the post-Soviet space, forming an open collective security system based on a clear legal and treaty framework and covering the Euro-Atlantic region,"* the document states. With regard to the US, Russia *"is interested in building a fully-fledged partnership on the basis of common interests, including economic, with an eye on the Russian-US relations' key influence on the international situation as a whole"*. The most important aspects of such a partnership are control mechanisms over armaments specified by international treaties, strengthening mutual trust measures, resolving issues related to WMD non-proliferation, expanding counter-terrorism cooperation and resolving regional conflicts.

During the Munich Conference of February 2016, Lavrov, speaking about European security, claimed that in this field *"often agreements are not carried out due to some of the participants' attempt to revise them retroactively to gain unilateral advantage to the detriment of the seemingly achieved balance of interests."* And, regarding NATO, *"joint efforts are being hindered by artificial restrictions, much like NATO and the EU's refusing full cooperation with Russia, creating the image of an enemy, and arms deployment to harden the dividing lines in Europe that the West had promised to eliminate. Today, the level of interaction between Euro-Atlantic organisations and Russia in certain spheres is even lower than during the Cold War period, not to mention the returning shibboleths of an ideological confrontation, whose conceptual basis ceased to exist a quarter of a century ago"*¹²¹.

3.2.3 Greater Europe

Until now, we have considered separately Russian approach toward the Near Abroad and toward the EU. In this paragraph I will present Russian conception of how the neighbourhood should be shaped in relation to both the EU and the Near Abroad. In the first chapter I talked about the EU idea of "Wider Europe", a set of concentric circles around the core formed by the European Union. Russian idea is rather different from that of the EU. In the Foreign Policy Concept of 2013, it is written that *"Russia stands for building up a truly unified region without dividing lines through developing genuine partnership relations between Russia, the European Union and the United States."* This wording gives an idea of what is the shape that Russia would like to give to the Eurasian world. This conception corresponds to what has been called the "Greater Europe" project

121 Cfr. Oliger et al (2012).

(Большая Европа in Russian). High-ranking Russian state officials have regularly used the term as an illustration of the claim that Russia is, historically and culturally, a European state, and as a call to the West to abandon its alleged attempts at isolating Russia or limiting its role in regulating the European order (especially in the field of security).

The idea of Greater Europe has been present in major policy statements of Russian leaders since the mid-1990s and it has re-emerged regularly as a general political slogan, even if it has never been recast into a detailed political programme. Understood in this way, Greater Europe is not a fully developed concept, but rather a slogan surrounded by loose ideas outlined in major policy statements by Russian presidents. Initially, the idea emerged as an element of Gorbachev's "new thinking" in the Soviet Union's foreign policy, that clearly paralleled the concept of the "common European home". While the idea was never transformed into a detailed, specific and coherent concept, its general outlines can be reconstructed on the basis of Gorbachev's statements. Its point of departure lay in the realisation that the Cold War between two antagonist blocs, the West and the Soviet Union, was over, and the conviction that rivalry should give way to co-operation in the name of shared values, aimed at solving joint problems, and especially at ensuring durable security and prosperity "from Vancouver to Vladivostok". Over time, this general idea was followed by more specific proposals from the Soviet Union: to create a new co-operative security structure based on the Conference on Security and Co-operation in Europe (CSCE) process, to revise defence strategies and reduce armaments in Europe, to start co-operation between NATO and the Warsaw Pact, and between the European Communities and the COMECON and to abolish existing restrictions on technologically-advanced exports to the Soviet Union and countries of the Soviet bloc. Some of the Soviet proposals were gradually put into practice: the CFE Treaty on the reduction of conventional forces in Europe and the Charter of Paris for a New Europe were signed at the CSCE summit in November 1990, and in November 1991 NATO revised its defence strategy and decided on the establishment of formal contacts with countries of the former Warsaw Pact – that was dissolved in March of the same year. However, the breakup of the Soviet bloc and its structures in the years 1989–1991, followed by the collapse of the Soviet Union itself in December 1991, rendered the very basis of the Common European Home concept, that was inter-bloc co-operation, irrelevant.

In the new political conditions, the Russian Federation took over some of the Soviet projects, in changed form, and concentrated its efforts mainly on preventing the geopolitical status quo in Europe from changing further to the benefit of the West. In this framework, the idea of Greater Europe emerged in changed circumstances. Russian President Boris Yeltsin outlined his vision of Greater Europe during a Council of Europe summit in Strasbourg on 10 October 1997. He said on that occasion: *"We are now poised to begin building together a new greater Europe without dividing lines; a Europe in which no single state will be able to impose its will on any other; a Europe in which large and small countries will be equal partners united by common democratic principles. This Greater Europe can now become a powerful community of nations with a potential unequalled by any other region in the world and the ability to ensure its own security. It can draw on the experience of the cultural, national and historical legacies of all of Europe's peoples. The road to greater Europe is a long and hard one but it is in the interest of all Europeans to take it. Russia will also help to realise this goal."*¹²² Some key thoughts can be distilled from this statement. Firstly, Russia should be an equal member of the emerging new community of European states. Secondly, that community should be powerful and independent, also in terms of security. Such independence would have to imply ending Europe's dependence on co-operation, and especially on security co-operation, with the United States, and working more closely together with Russia in different spheres. And this, it seems, was the subtext of this initiative.

122 Cfr. Menkiskaz (2013).

Later on, on several occasions since 2001 Vladimir Putin raised the concept of Greater Europe as a partly integrated common space comprising mainly Russia and the European Union. Greater Europe re-emerged as a trope in the Russian leadership's rhetoric in special circumstances: when the Western world was shaken by the terror attacks in New York and Washington on 11 September 2001, and a global anti-terror coalition led by the United States was forming, to which Russia also offered partial backing. At that point Russia seemed to be positively reassessing its relations with the West, while Western elites were starting a debate on the necessity of a similar reassessment of their relations with Russia. In May 2005 Putin placed an op-ed in the *Le Figaro* newspaper. The article was published after the Orange Revolution took place in Ukraine, and the EU at that time was debating ways to more energetically build closer relations with Ukraine and the other Eastern partners. In the meanwhile, the EU and Russia were working on the creation of the four Common Spaces. In the article, Putin wrote: *"I am deeply convinced: united Greater Europe from the Atlantic to the Urals, and in fact all the way to the Pacific Ocean, the existence of which will be based on universally recognised democratic principles, offers a unique chance for all the nations of the continent, including the Russian nation. Europeans can fully rely on Russia in the pursuit of this chance for a peaceful, prosperous and dignified future, as they could in the struggle against Nazism. We also believe that Russia's efforts to develop integration bonds with both the EU member states and the members of the Commonwealth of Independent States are a single, organic process which should lead to a considerable expansion of harmonious common spaces of security, democracy and business co-operation in this gigantic region."* The Russian leader suggested in the article that Greater Europe should consist of two pillars: the Western pillar, namely the European Union, and the Eastern pillar, managed by Russia. The reference to democratic rhetoric seems to have been designed to convince the Western audience that no export of democracy to the East was necessary, as Russia fully recognised the basic principles in this regard.

Some years later, on 25 November 2010, on the occasion of his visit to Germany, Vladimir Putin published another major policy statement: an article in the German daily *Süddeutsche Zeitung* in which he elaborated his concept of Greater Europe in much more detail. In that period, the EU was struggling to avoid a new financial and economic crisis like the one in 2008-2009, which had also affected Russia, and Russia was carrying on the process of economic integration of some CIS members, which led to the creation, in July 2010, of the Customs Union. Therefore, the article focused on the economic dimension. Referring to the shared experience of the crisis in the EU and in Russia among other themes, Putin wrote: *"Europe needs its own vision of the future. We propose to shape it together, through a Russia-EU partnership. It would be our joint bid for success and competitiveness in the modern world. (...) To alter the situation, we should exploit the advantages and opportunities available to both Russia and the EU. This could be a truly organic synergy of two economies – a classic and established EU model, and Russia's developing and new economy, with growth factors that complement each other well. We have modern technology, natural resources and capital for investment. Above all, we have unique human potential. Finally, Russia and the EU have ample cooperation experience. And I am happy to say that Germany, the engine of European integration, is setting an example of leadership in this area."* In the *Süddeutsche Zeitung* article Putin presented a very ambitious strategic vision for a future integrated European space involving Russia, with the strategic partnership between Russia and Germany at the core of the strategy. At the same time Putin made it clear that the European side should not expect Russia to first adopt European standards, and should integrate with Russia as it is. In the article, Putin outlined the following five-point plan for Great Europe:

1. "A harmonised community of economies, from Lisbon to Vladivostok", which in future could perhaps transform into a free trade area or even pursue some more advanced forms of economic integration. This community would be built in gradual steps that would include Russia's

membership in the WTO, harmonisation of legislation, customs procedures and technological standards, and elimination of bottlenecks in Pan-European transport networks.

2. "A common industrial policy based on a synergy between the technological and resource potentials of the EU and Russia" This policy would be implemented through joint projects to support small and medium enterprises and, even more importantly, "a fresh wave of industrialisation" based on the establishment of strategic sectoral alliances in the shipbuilding, automobile, aviation, space, medical and pharmaceutical industries, nuclear energy and logistics.
3. "A common energy complex in Europe". The complex would comprise extended energy infrastructure, the Nord Stream and South Stream gas pipelines, and would be governed by new regulations, including a new energy treaty proposed by Russia, which would balance the interests of suppliers, buyers and final consumers of energy. Russian and European companies would share energy assets, and co-operation would be developed at all stages (from exploration and extraction to delivery to end consumers).
4. Co-operation in science and education, including the implementation of joint research projects, especially for applications in high technology industries, based on a shared financing effort, as well as exchanges of researchers and students, traineeships, etc.
5. Elimination of barriers impeding human and business contacts, by abolishing visas for travellers between the EU and Russia based on a clear plan and definite time schedule.

Putin re-presented his idea of Greater Europe in an address delivered to the German Bundestag on 25 September 2011. *"It is my firm conviction that in today's rapidly changing world, in a world witnessing truly dramatic demographic changes and an exceptionally high economic growth in some regions, Europe also has an immediate interest in promoting relations with Russia. No one calls in question the great value of Europe's relations with the United States. I am just of the opinion that Europe will reinforce its reputation of a strong and truly independent centre of world politics soundly and for a long time if it succeeds in bringing together its own potential and that of Russia, including its human, territorial and natural resources and its economic, cultural and defence potential."* Here Putin clearly outlined Russia's assets as a potential member of the new European community, and by doing so, identified the key areas of proposed integration as the economy, society and defence. On the other hand, he supported a stronger autonomy of the EU from the US. However, the vision of Greater Europe presented in Germany lacked a clear reference to the integration processes in the CIS area, or the place that countries of Russia and the EU's "shared neighbourhood" would occupy in the new European architecture. Putin closed this gap in another policy article published on 4 October 2011 in the Izvestia daily. The text, devoted in principle to the idea of a Eurasian Union, also included clear references to the concept of Greater Europe as a space comprising two blocs¹²³. Putin presented a Greater Europe that would consist of two integration blocs – the Western bloc of the European Union, with Germany in the dominant role, and the Eastern bloc, consisting of the emerging Eurasian Union, with Russia in a hegemonic position. By signing agreements and establishing joint institutions, the two blocs would form a partly integrated area of security, economic and energy cooperation, and human contacts. One of the main points of Putin's article was that the creation of the Eurasian Union not only did not contradict the idea of European integration. The Russian leader once again suggested that the development of Greater Europe would be of major significance for the global order: *"The Eurasian Union will be built on universal integration principles as an essential part of Greater Europe, united by shared values of freedom, democracy and market laws. (...) Soon, the Customs Union, and later the Eurasian Union, will join the dialogue with the EU. As a result, apart from bringing direct economic benefits, accession to the Eurasian Union will also help countries integrate into Europe sooner and from a*

123 Cfr. Menkiskasz (2013).

stronger position. In addition, a partnership between the Eurasian Union and EU that is economically consistent and balanced will prompt changes in the geopolitical and geo-economics setup of the continent as a whole with a guaranteed global effect. (...) The European Union and the Eurasian Union, in building cooperation on the principles of free trade rules and compatible regulation systems, are in a position to disseminate these principles, including through third parties and regional institutions, all the way from the Atlantic to the Pacific Oceans. They will thus create an area that will be economically harmonised, but that still remain diverse, when it comes to specific mechanisms and management solutions." However, the formation of such an area would not lead to Russia and its neighbours gradually adopting European values and standards, nor would it limit Russia's room for manoeuvre in foreign policy as a great power balancing between various global centres of power, with the priority of developing the Eastern component of Greater Europe. The novelty in Putin's article was the emphasis on the argument that Greater Europe should be integrated economically, but not politically. The Russian leader clearly suggested that the creation of a new community could not lead to any restrictions on Russia's autonomy to make its own decisions as a state and the leader of its integration bloc. In advocating this concept, Vladimir Putin's objectives included:

1. Strengthening the potential of Russia, through capital and technology transfers from Europe;
2. Strengthening Russia's influence on European politics and security, and on the economies of European states, including through the creation of co-operative links and asset swaps;
3. Undermining US presence and influence in Europe;
4. Consolidating Russia's hegemony in the CIS area, getting Europe to recognize this hegemony and preventing political and economic expansion of the EU, the US as well as China in the CIS area¹²⁴.

In recent years Russia has undertaken a number of initiatives aimed at implementing some elements of the Greater Europe concept. The most significant ones included establishing a forum for dialogue between Russia, Germany and France (the Triangle), putting forward the initiative to sign a new European Security Treaty and proposing a draft text, presenting (together with Germany) a proposal to establish an EU-Russia Political and Security Committee, presenting an outline for a new Energy Charter and coming up with an initiative and the draft text to sign an agreement on visa-free movement between the EU and Russia. In his speech at the United Nations General Assembly, Putin claimed that *"Contrary to the policy of exclusion, Russia advocates harmonizing regional economic projects. I am referring to the so-called "integration of integrations" based on the universal and transparent rules of international trade. We continue to see great promise in harmonizing the integration vehicles between the Eurasian Economic Union and the European Union*¹²⁵." However, most of Russia's initiatives aimed at ultimately creating Greater Europe have yet to become reality. As events demonstrated, aspiration of Greater Europe failed and Russia advanced increasingly ambitious plans for Eurasian integration, which only exacerbated divisions in Europe. According to the most recent vision, Greater Europe should be a common space founded on two pillars: the EU area, with a dominant role for Germany (the Western pillar), and the area of the Eurasian Union. The two areas would be interlinked through a network of political, economic and security institutions. The partly integrated common space, founded on harmonised norms and regulations, should ensure freedom of movement for people and goods and – perhaps with some restrictions – labour force and capital. The most important decisions concerning its development would be taken unanimously but at the same time the parties, and Russia in particular, would keep

¹²⁴ Cfr. Menkiszak (2013).

¹²⁵ The speech is available at the following link: <http://www.russianmission.eu/en/news/president-vladimir-putin-addresses-un-general-assembly>

their freedom and autonomy to decide on internal affairs and external relations with other countries and regions. Under this new conception, Russia and its partners started to develop a different internationalist project with its own institutional framework. The creation of CSTO in 2002 was intended to provide a platform for the pursuit of Russia's broader goals, notably opposition to NATO's enlargement and reinforcement of Russian claims to be a great power¹²⁶. While it has been championed as "a Europe without dividing lines", as events demonstrated, the Greater Europe concept clashed with the EU's sponsored Wider Europe one and would in practice permanently split Europe into two geopolitical blocs¹²⁷.

Conclusions

In this chapter I analysed the most relevant aspects of Russian foreign policy in the neighbourhood, trying to maintain the parallelism with the study of the European Union's approach of the first chapter. The aim of this exercise is to compare the two strategies in the final chapter, in order to understand their level of compatibility. In this chapter, we first focused on Russian approach toward countries of its Near Abroad and then on Russian approach toward the EU and the West in general.

The main conclusion that we can derive from this study is that Russian approach toward the neighbourhood evolved together with the evolution of Russian foreign policy. The changes in Russian strategy in the past decades derived both from internal and external circumstances. On the one hand, Russian foreign policy evolved as a consequence of Russian re-gained prestige at the economic level, that was a major boost for Russian great power status in the international arena. In the Foreign Policy concepts of 2000, 2008 and 2013 we can find this evolutionary path of Russian foreign policy. In a fast changing international environment, where the US tries to impose its unilateral actions and its own vision of the world, Russia claims a more democratic and pluralistic vision of the world order, where it can play a major role in bringing global stability and prosperity. For what concerns the neighbourhood, what Russia defines the Near Abroad, we saw that it always constituted the first foreign policy priority for Russia. In the three Foreign Policy Concepts that we examined, Russia expresses its willingness to sponsor integration projects in the CIS area, firstly in the format of CSTO in the military field and then in the format of the Eurasian Union, that is Russian most ambitious integration project in the neighbourhood. If the CIS has always represented a foreign policy priority for Russia, its assertiveness in the area grew as Russian weight in the international system became stronger. However, the revisionist trend in Russian foreign policy, and Russian more assertive stance in the Near Abroad led to a worsening of relations with the EU and with the West in general. As we have seen, the more the EU and NATO expanded in what Russia considers a region of "privileged interests", the more Russia-West relations became complicated. The three phases in which divided the analysis of Russian approach toward the Near Abroad and toward the West reflect these changes in Russia-West relations. If in the early 2000s Russia had a positive – or at least neutral - attitude toward EU's projects in Eastern Europe and the Caucasus, the worsening of EU-Russia and US-Russia relations also increased Russian concerns about Western actions in the shared neighbourhood. In particular, we saw that EU's and NATO's expansions in countries that had been part of the Soviet bloc caused criticism among Russian elites. In particular, Russia considered the expansion of NATO as a threat for its security, and strongly opposed the voiced proposal of 2008 to extend membership to Ukraine and Georgia. As I said, 2008 is an important year for Russian foreign policy in the Near Abroad. With the war in Georgia Russia demonstrated its seriousness in pursuing its foreign policy interests even using military means. In that year Medvedev remarked the five principles on which Russian foreign policy is based, among

126 Cfr. Sakwa (2015).

127 Cfr. Menkiszak (2013).

which there is the protection of Russian citizens abroad and above all the existence of a “sphere of privileged interests” where Russian red lines must not be crossed by the West. These principles are at the basis of Russian foreign policy in the following years. The Ukraine crisis well shows how Russia is determined to protect Russian nationals abroad, even if it is at the expenses of its relations with the West. Russian foreign policy after the Ukraine crisis can be seen as the culmination of the process of consolidation of Russian power and assertiveness in global affairs and as Russian definitive response to what it considered an intrusion in its sphere of privileged interests.

Chapter 4 - Russian Policies

In the second chapter I analysed the EU Eastern Partnership initiative as the main policy framework that the EU conceived in the last years to shape its relations with Eastern neighbours. In this chapter I will analyse the policies that Russia pursued in accordance to its strategy in the “Near Abroad”. As I mentioned before, Russia started to sponsor integration projects for the neighbourhood since the fall of the Soviet Union, and in the last decades a consistent number of regional initiatives at the economic and military level have been carried out. Among them, the CIS, the CSTO, the Customs Union and the more recent Eurasian Union. Russia's approach to integration with CIS has been shaped by a number of factors, including the influence of domestic reform priorities, changing drivers of economic growth, personal inclinations and ideas of leaders, external shocks and the stance, actual or perceived, of other ex-USSR nations. The role of these factors has changed over time in such a manner as to strengthen the commitment of Russia's leadership to deepening and widening integration. Some of these initiatives were accelerated by the need to contrast EU-sponsored similar initiatives in the region. For instance, the creation of the Eurasian Union was accelerated as a response to the EU increasing assertiveness upon its Eastern Partners.

In this chapter I will present the main characteristics of the Eurasian Economic Union (EEU), that is the main and most successful integration project that Russia sponsored in the Near Abroad. The Eurasian Economic Union is an international organization that is aimed at promoting the economic integration of the region, through the liberalization of the movement of goods, services, capital and labour¹²⁸. The Eurasian Union is Russian most serious attempt to reorganize the post-Soviet space and according to the conception of “Greater Europe”, it constitutes the first step for the creation of a unified space from Lisbon to Vladivostok. To have a broader view of this initiative, as I did in the second chapter, I will make references to the other integration projects that were launched in the post-Soviet space since the ‘90s.

The structure of this chapter is similar to the second one. In the first part, I will reconstruct the history of the creation of the Eurasian Union, starting from the first integration projects sponsored by Russia in the former Soviet Space - such as CIS - to the recent developments of the Union. In the second chapter, I will analyse how the Eurasian Economic Union works in concrete, by focusing on its function and institutions. Finally, the third part is dedicated to analyse the outcomes of the organization in economic and political terms. In the last chapter I will compare the Eurasian Union with the EU Eastern Partnership initiative, to assess whether the two integration initiatives in the post-Soviet space are compatible and, if not, what are the main reasons of the incompatibility.

4.1 Eurasian Union: an Historical Overview

In this part I will reconstruct the evolution of integration projects in the post-Soviet space in the last decades. As we will see, the Eurasian Union is only the last initiative of a long process that begun in the ‘90s and that saw the creation of various and differentiated projects in the region. This part is divided into three paragraphs. In the first paragraph, I will present the Commonwealth of Independent States (CIS), the first organization that was created after the fall of the Soviet Union to develop economic and political relations in the new format of independent States. In the second paragraph I will focus on the EurAsEC Customs Union and the Customs Union of 2010, that have a more limited membership than Eurasian countries but support a deeper economic integration among countries. Finally, in the third paragraph I will focus on the Eurasian Union, that was launched in January 2015.

128 Cfr. Zagorski (2013).

4.1.1 CIS

The Commonwealth of Independent States (CIS) is the broader and most ancient organization of countries of the Former Soviet Union. It was founded on 8 December 1991 by Belarus, Russia and Ukraine, that with the "Agreement Establishing the Commonwealth of Independent States", known as the Creation Agreement, sanctioned the dissolution of the Soviet Union and the creation of CIS as a successor entity to it. The new alliance would be open to all republics of the former Soviet Union, and to other nations sharing the same goals. On 21 December 1991, the leaders of eight additional former Soviet Republics – Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Moldova, Turkmenistan, Tajikistan, and Uzbekistan – signing the Alma-Ata Protocol joined the CIS initiative, bringing the number of participating countries to 11. Georgia joined two years later, in December 1993. The Alma-Ata Declaration confirmed the promise of the former republics to cooperate in various fields of external and internal policies, and announced the guarantees for implementation of the international commitments of the former Soviet Union. The scope of the CIS was progressively broadened over time, and its membership continuously changed in the past two decades. Currently, there are nine full member states of the Commonwealth of Independent States¹²⁹.

Currently, the CIS performs its activities on the basis of the Charter, adopted by the Council of Heads of States on 22 January 1993, which stipulates the goals and principles of the Commonwealth, and rights and obligations of the countries. The Charter states that the CIS serves the development and strengthening of friendship, inter-ethnic accord, trust, mutual understanding, and cooperation between States¹³⁰. From the beginning it was envisaged that CIS would seek to maintain a high level of economic cooperation between the newly independent states, including the long term preservation of infrastructures for electric power, transports and communication. The Charter declares that CIS are a voluntary body of independent and equal states, possessing no supranational authority.

Since its inception, one of the primary goals of the CIS has been to provide a forum for discussing issues related to the social and economic development of the newly independent states. Regarding economic integration, Article 19 sets out the directions of cooperation, which include "the formation of a common economic space on the basis of market relations and the free movement of goods, service, capital and labour". In 1992, in Minsk, eight CIS countries (Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Ukraine, and Uzbekistan) signed the agreement on the coordination of work related to the issues of export control over raw materials, materials, equipment, technologies, and services used or capable of being used for the manufacture of weapons of mass destruction and missiles as their means of delivery. The States Parties agreed to pursue coordinated export control policies, including the application of sanctions against all economic entities that violate the export control requirements. In 1993 Russia proposed the creation of a full-blown Economic Union loosely modelled on the EU model, to be achieved in progressive stages. The Treaty set out a phased process of integration based on various steps: a progression from

¹²⁹ These countries are: Russia, Belarus, Moldova, Armenia, Azerbaijan, Kazakhstan, Kyrgystan, Tadjikistan, Uzbekistan. Although Ukraine was one of the founding countries and ratified the Creation Agreement in December 1991, Ukraine chose not to ratify the CIS Charter as it disagrees with Russia being the only legal successor to the Soviet Union. In 1993 Ukraine became an "Associate Member" of CIS. Important developments for CIS are also those that we witnessed in the last years. On March 14, 2014, a bill was introduced to Ukraine's parliament to denounce their ratification of the 1991 Agreement Establishing the CIS, following the Russian military intervention in Ukraine and annexation of Crimea, but was never approved. Following the 2014 parliamentary election, a new bill to denounce the CIS agreement was introduced. In September 2015 the Ukrainian Ministry of Foreign Affairs confirmed Ukraine will continue taking part in CIS "on a selective basis". Since that month Ukraine has no representatives in the CIS Executive Committee building. Legislative initiatives to denounce the agreement on the creation of CIS were also tabled in Moldova's parliament on 25 March 2014, though they were not approved. Georgia left CIS in August 2009.

¹³⁰ More information is available at the following link: <http://www.cisstat.com/eng/cis.htm>

a multilateral free trade association to a custom union, then a common market with free movement of goods, service, labour and capital and culminating in a monetary union. This declaration of intent was followed in April 1994 by an Agreement to form a Free Trade Area. Yet sustained political will to engage in the multilateral project was lacking, and member states' reluctance to be bound was reflected in the institutional framework of the initiative. This resulted in a 'pick and mix' regime where agreements were signed and ratified selectively, and broad reservations were ubiquitous. It was not only the CIS-sceptics, such as Georgia or Azerbaijan, that were selective, but even Russia was reluctant to proceed with what were in effect costly economic obligations (in particular, it did not ratify key CIS economic cooperation agreements). Moreover, there was no effective binding mechanism to ensure compliance with the obligations undertaken. In the absence of this agreement, trade relations between CIS members were regulated by a complex set of bilateral agreements, many of which were ineffective.

The military sector is another area of cooperation among CIS members. The CIS Charter establishes the Council of Ministers of Defence, which is vested with the task of coordinating military cooperation of the CIS member states. To this end, the Council develops conceptual approaches to questions of military and defence policies of the CIS member states, proposals with the aim of preventing armed conflicts on the territory of member states or with their participation, gives expert opinions on draft treaties and agreements related to the questions of defence and military development. Also important is the Council's work on approximation of the legal acts in the area of defence and military development. The Collective Security Council adopted documents such as the Collective Security Concept, the Declaration by the Collective Security Treaty States, and the Basic Guidelines for Deepening Military Cooperation among the Collective Security Treaty States. In accordance with these documents, national contingents are organized into three sectors (Western, Trans-Caucasus, and Central Asia) and engage in joint exercises within their sector. In December 1993, the CIS Council of Defence Ministers created a CIS Military Cooperation Coordination Headquarters (MCCH) in Moscow, with 50 per cent of the funding provided by Russia. An important manifestation of integration processes in the area of military and defence collaboration of CIS member states is the creation, in 1995, of the joint CIS Air Defence System.

Moreover, the CIS framework also deals with issues such as promotion and protection human rights. The Charter of the CIS supported the creation, in article 33, of a Human Rights Commission in Minsk. This prescription was confirmed by decision of the Council of Heads of States of the CIS in 1993. In 1995, the CIS adopted a human rights treaty that includes civil and political as well as social and economic human rights. This treaty entered into force in 1998. The CIS treaty is modelled on the European Convention on Human Rights, but it lacks the strong implementation mechanisms of the latter. For instance, the Human Rights Commission has a very vaguely defined authority. The Statute of the Human Rights Commission, however, also adopted by CIS Member States as a decision, gives the Commission the right to receive inter-state as well as individual communications. In the same field, another important activity is the CIS Election Monitoring Organisation, an election monitoring body that was formed in October 2002, following a Commonwealth of Independent States Heads of States meeting which adopted the Convention on the Standards of Democratic Elections, Electoral Rights, and Freedoms in the Member States of the Commonwealth of Independent States. The CIS-EMO has been sending election observers to member countries of the CIS since this time.

Regarding the institutional framework, CIS meetings are held periodically on a rotating basis at the CIS countries' capitals. Forums include the Council of Heads of State, the Council of Prime Ministers, and the Council of Foreign Ministers. The Commonwealth does not have supranational powers, but obligations which arise during the period of participation in the CIS Charter are binding on the relevant States until full compliance therewith. Violations by Member States of this Charter, systematic failure by a State to fulfil its obligations pursuant to agreements concluded under the

framework of the Commonwealth, or decisions of the bodies of the Commonwealth, are to be examined by the Council of Heads of States¹³¹.

The outcomes of the CIS initiative are controversial. Even where some progress was made in providing a common legal framework (such as in trade), the multilateral regime did not foster effective domestic implementation. Despite the rhetoric, the CIS multilateral framework ultimately relied on high-level diplomacy and traditional power mechanisms. Investing in the institutional design of CIS regional integration was clearly not at the core of Russia's economic cooperation strategy. As President Vladimir Putin famously stated in 2005, *'the CIS never had any super-tasks of an economic nature, any integration tasks in the sphere of economics'*. As far as practical economic cooperation was concerned, Russia preferred to deal on a bilateral basis, capitalizing on its superior bargaining power. Therefore, since its creation the Commonwealth of Independent States remains a dysfunctional body for regional dialogue, as many of its members do not wish to integrate on a regional level. The main achievement is probably the establishment of a free trade zone in 2012, between Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia (now EEU members), as well as Ukraine, Uzbekistan and Moldova. Russia indicated in December 2015 it would suspend the Agreement with respect to Ukraine from 1 January 2016, following the provisional application of the DCFTA between the European Union and Ukraine. Since the 2000s Russia designed more specific and efficient multilateral initiatives, such as the Collective Security Treaty Organization (Belarus, Armenia, Kazakhstan, Kyrgyzstan, Tajikistan) in the field of security, and several iterations of an economic union, primarily the Eurasian Economic Community, then the Customs Union and the Eurasian Economic Union (Belarus and Kazakhstan, with Armenia and Kyrgyzstan joining).

4.1.2 The Customs Union

Parallel to the CIS framework some former Soviet countries started to develop a project of closer economic integration that ultimately led to the creation of the Eurasian Union. The President of Kazakhstan Nursultan Nazarbayev voiced the idea of the Eurasian Union of States for the first time at Chatham House in London in early 1994, when he called for the creation of a "full-fledged Eurasian Union" that should be the Eastern equivalent of the European Union. In March, he spoke again on the same topic at Moscow State University and begun to promote the idea in the press. In October of the same year he proposed a draft document on the formation of the Eurasian Union to a meeting of CIS states. It was recognized that CIS had become an organization with centrifugal forces at work, with countries reforming and developing in different ways. The main decision-making body of the new organization would be a Council of Head of States with decisions taken on a four-fifth majority. To develop economic integration, a supranational role would be played by an Economic Commission. The Union would also work on common policies on science, education, culture, technology and defence. However, at the CIS meetings of the mid- '90s the proposal did not meet much interest from other leaders, even if it sowed the seeds for the process of integration that would develop 15 years later.

In the meanwhile, some progresses were reached among restricted groups of countries especially in the economic sphere. In 1996 Belarus, Kazakhstan, Kyrgyzstan and Russia formed a customs union that came to be known as the Eurasian Economic Community, or EurAsEC¹³². The EurAsEC Treaty created the integration nucleus that now drives the integration in the Eurasian region. At its peak, also Tajikistan and Uzbekistan joined EurAsEC. The main purpose of EurAsEC was the advancement of the creation of a customs union and a single economic space. Its supreme

131 Cfr. Wolczuk (2013).

132 More information about the EEU is available at the following link: <http://www.eaeunion.org/?lang=en#about-history>

decision-making body was an Interstate Council where decisions are taken by consensus or, in the absence of agreement, on the basis of a two-third majority vote, each member having a quota of votes determined by the its share of the Community's budget. The institutional structure also comprised the Secretariat of the Integration Committee, with a full-time general secretary appointed for a three-year period, and the Inter-Parliamentary Assembly, consisting of delegated members of national parliaments, with the task of harmonizing national legislations. Yet in the beginning these remained declaratory initiatives that did not really bring changes to CIS institutional formula. Putin's accession to the presidency in 2000 soon added a new impetus to the project. In October 2000 the grouping was transformed into a fully-fledged international organization, the Eurasian Economic Community (EEC), with its basis in Astana. In 2003, the countries signed the Treaty on Establishment of the Single Economic Space (SES) in Yalta. The Parties' governments launched work to draft the SES legal framework to create a single economic space that would ensure free movement of goods, services, capital and labour. The document set an ambitious programme of measures to achieve coordinated policies in relation to economic management, budget and tax matters, energy, agriculture, industry, transport, control of borders, social issues and migration. The goals of securing the free movement of capital and of moving towards a common financial market were also declared. Moreover, between 2004 and 2007 a number of basic conceptual documents were approved, covering policies in the fields of transport, agriculture, industry, foreign exchange, social and international policy. These documents set out many detailed measures to ensure better policy harmonization, but in many cases they have remained at the level of intentions.

In 2007, the Treaty on the Creation of the Single Customs Territory and Establishment of the Customs Union between Belarus, Kazakhstan and Russia was signed in Dushanbe. It was intended to ensure free movement of goods in mutual trade, to foster favourable conditions for trade between the Customs Union and third countries, and to promote economic integration. Therefore, while the CIS framework saw increasing divergences between its members, a small group of countries within the organization was committed to pursue a deeper integration¹³³. The three countries established a Customs Union Commission as its permanently functioning regulatory body and continued negotiating and drafting agreements necessary for the functioning of the Eurasian Customs Union throughout 2008 and 2009. Finally, on January 1, 2010, Russia, Belarus, and Kazakhstan launched the Eurasian Customs Union (ECU). This Union was based on the implementation of a common external tariff, while customs formalities and customs control at the internal borders were cancelled, and free movement of goods within the three states was ensured. In July 2010, the existence of a common customs territory was declared and the Customs Union Code, the key regulatory document, entered into force. The member countries already had tariff-free access to one another's markets through a network of bilateral and plurilateral free trade agreements, including the Commonwealth of Independent States. The key initial change implemented with the formation of the Eurasian Customs Union was that the members agreed to apply the union's tariff schedule as their common external tariff for third countries. With few exceptions, the initial common external tariff schedule was the Russian tariff schedule. In addition, the members agreed to have the customs union determine the rules regarding sanitary and phytosanitary standards (SPS) and norms on goods, and the customs union attempted to reduce trade costs by eliminating internal customs posts. In July 2011, the elimination of the internal physical border controls was announced. Then, the ECU Commission undertook a significant volume of work to establish common rules of the game on many issues relating to external trade.

By the beginning of 2012 the Eurasia Customs Union could be considered a functioning customs union. Seventeen primary international treaties were adopted, providing the basis for the functioning of the Single Economic Space. Over 50 documents were drafted to implement the "four freedoms" completely. The countries also proclaimed the establishment of a new body, the Eurasian

133 Cfr. Wolczuk (2013).

Economic Commission, which replaced the Customs Union Commission as of 1 July 2012, as the common coordinating institution to ensure the achievement of the agreed objectives. In February 2012, the Eurasian Economic Commission began functioning. Its task is to manage the integration process on a daily basis, and to develop legal solutions that enable the implementation of the provisions of the signed documents. The scope of competence of the Commission depends on the degree of actual integration of these countries. It is intended to act as the regulatory authority for the customs union in a manner similar to the European Commission of the European Union¹³⁴. The decisions accepted by the Commission become an integral part of the legal base of the Customs Union and the Common Economic Space, and do not need to be ratified. These decisions are implemented by the member states' authorities. Moreover, the Court of the Eurasian Economic Community has been introduced as the body that settles economic disputes and ensures that the parties respect the signed agreements. This authority was launched in January 2012, and it consists of six judges – two representatives from each state. The rulings of the Court are binding for the member states¹³⁵. The EEC was also active in establishing international relations, recognizing that it will become the principal institution for negotiating trade matters regarding to ECU member countries.

Clearly, the ECU project is embedded in a fast-moving political agenda. This latest project differs in significant ways from its predecessors. This is not just in terms of the political will, which seems to be driving it forward, but also, crucially, in terms of its effectiveness, which contrasts with earlier poorly institutionalized regimes with little or no impact on the behaviour of state or private actors. In other words, unlike the previous initiatives, the ECU has a growing effect on state and economic actors in its member states and beyond¹³⁶. Until now, the integration within the Customs Union has proceeded largely under the conditions imposed by Moscow. The common import tariff that was introduced, coincides in 80% with the import duties that were in force in Russia. This forced Kazakhstan to raise its tariffs, and lift the weighted average rate from 6.2% to 10.6%. In the case of Belarus, whose import tariff was unified with the Russian one in 90%, the changes were much less significant and involved selected goods, such as cars. In order to reduce the negative consequences of the common tariff introduction, Kazakhstan and Belarus have negotiated a list of products (over 400 items) that were excluded from the common regime during the transition period. Export duties, which were most commonly used by Russia (imposed primarily on energy resources, scrap metal and timber - crucial export's goods of Customs Union's countries) have been completely excluded from the common customs tariff regime. However, the free movement of goods has not been fully implemented as yet. Although the majority of tariff barriers have been abolished, many non-tariff barriers continue to hamper trade. This applies mainly to existing differences in technical requirements or the need to apply the national legislation in the absence of common solutions.

The introduction of the Common Customs Code (CCC) was designed to set uniform principles for all member states, concerning tariffs, non-tariff regulations, customs control, and all customs procedures related to import, export and transit of goods. The Customs Union's Code has been based on the International Convention on the Simplification and Harmonization of Customs Procedures (signed in Kyoto in 1973) and the requirements of the WTO. This document has introduced facilitations of the clearance of goods sent across the external borders of the Customs Union, reduced the duration and number of documents required for these operations. The introduction of CCC in the internal trade of the Customs Union has abolished the customs clearance of goods originating in the Customs Union states and third countries, that have been cleared by customs services of any Customs Union member. Also, customs control points have been withdrawn from internal borders of the Customs Union. With Russia's accession to WTO in 2012 it became necessary to bring customs duties in ECU in line with obligations that Moscow signed to

134 Cfr. Tarr (2016).

135 Cfr. Wiśniewska (2012).

136 Cfr. Wolczuz (2013).

join the WTO. According to the principles of the Common Economic Space, Russia, Kazakhstan and Belarus plan to further harmonize their economic policies, including agreeing on uniform principles of access to the services of natural monopolies, standardization of the competition policy and harmonization of the services market. The parties have also declared that they would introduce free movement of capital and labour, harmonize the monetary, energy and transport policy, as well as standardize technical requirements on goods. So far, within the framework of the Common Economic Space, Russia, Belarus and Kazakhstan have managed to implement free movement of labour. Workers from these countries do not need to apply for special work permits and should be treated as nationals (identical working conditions to those that apply to the given country's citizens).

4.1.3 Eurasian Union

The idea of the creation of the Eurasian Union, first expressed by Nazarbaev in 1994, re-emerged in 2010, when the goal of creating a Eurasian Economic Union appeared in a declaration adopted by the Interstate Council of EvrAzES at presidential level. The first declaration on Eurasian Union was released in 2011 in the form of a draft decision of the ECU Commission. The declaration presented the EEU as a logical next step following the establishment of ECU and SES. The new union would be founded on the generally recognized norm of international law, including respect for the sovereignty and equality of states. In their practical cooperation the states would be guided by norms and rules of the WTO. A number of basic directions of development were set out in the declaration for the creation of the EEU, including:

- Securing the effective functioning of a common market of goods, services, capital and labour;
- Forming a common industrial, transport and energy policy, deepening production cooperation, the creation of inter-state financial-industrial groups, funds and other structures;
- Further convergence and harmonization of national legislation;
- Development and realization of a common economic policy, transition to agreed parameters of basic macroeconomic indicators of member states;
- Deepening cooperation in the sphere of economic security;
- Creation of a common integrated system of management of borders;
- Harmonization of immigration legislation in the field of movement of labour resources.

However, not all countries agreed on the measures to take. Moscow envisaged a fully-fledged union that would ensure cooperation in the economic field as well as in defence, border management and foreign policy, while Kazakhstan wanted to form a union for economic purposes only. Eventually, Russia, Kazakhstan and Belarus signed a treaty establishing the Eurasian Economic Union on 29 May 2014, within the framework of the Common Economic Space¹³⁷. The EEU was finally launched on 1 January 2015. The entire process of creating the EEU, from the formation of the Customs Union in 2010 and up to the extension of membership to Armenia and Kyrgyzstan in 2015 has been aptly described as a “head-long rush” – a rapid and intensive phase of integration that has so far covered a great deal of ground in a short period of time. Indeed, the appearance of a functioning economic union stands in stark contrast to the stalled Commonwealth of Independent States initiatives from the early 1990s. The background drivers for the latest intensive phase of integration, 2010–2015, include the ongoing effects of the 2008 global financial crisis, but also the broad desire shared by each member state to boost trade and investment and to

137 Eurasian Union: a challenge for the European Union and Eastern Partnership countries. Eastern Europe Studies Centre, 2012.

increase competitiveness, in a part of the world slow to adapt to the demands of the globalized economy¹³⁸.

A visible achievement of the EEU is its successful expansion. Armenia and Kyrgyzstan joined the EEU in 2015, and there are also indications that Eurasian economic integration intends to extend beyond the post-Soviet space. On 23 December 2014, the three founding members Belarus, Kazakhstan, and Russia signed an agreement on the possibility to establish international partnerships between the EEU and third countries and on 29 May 2015 a free trade agreement between the EEU and the Socialist Republic of Vietnam was concluded. The Eurasian Commission has also set up a working group on the feasibility of a free-trade zone with Egypt, while states like Israel and India have received high-level mention as prospective partners beyond the immediate region. There is no question that high-level statements coming from EEU leaders have also raised expectations that this integration project is capable of transforming the immediate region and beyond. Kazakhstan's President Nazarbaev has identified the EEU with the ambitious goal of increasing economic competitiveness in a region that lags on most economic indicators. Putin, has tied integration to Russia's equally ambitious modernization plans, in recognition that the previous economic model has "come to an end".

During the establishment of the Customs Union, one issue that preoccupied member countries, in particular Russia, was its compatibility with the process of accession to the WTO. There has been much concern as to the interaction between the ECU and WTO regimes, especially in terms of avoiding conflict between rules as well as ensuring the implementation of WTO obligations. To solve this problem, it was agreed from the beginning that ECU would be based on WTO principles. As ECU was being formed, there were for some time efforts to be gain accession to the WTO as a single entity, but the request was not accepted by the WTO, and the ECU position shifted back to pursuing three separate negotiations. When efforts to form the ECU started, Russia was the only country with realistic prospects of early accession. The dynamics of Russia's accession to the WTO have had an important effect on developments within the CU, since in the process of accession to the WTO, Russia has been modernizing its trade regime and embedding it in the ECU. Russian accession to the WTO was thus held up by the need to ensure that the ECU rules were consistent with WTO rules. Moreover, Russian accession to WTO had implications for ECU and regional integration, since from its accession the whole WTO institutional framework formed the basis for the development of the ECU. The interaction between the two regimes was addressed in the Treaty on the Functioning of the Customs Union in the Multilateral System, which entered into force in November 2011. It ensures that the provisions of the WTO agreement as set out in the Accession Protocol of a Customs Union state become an integral part of the legal framework of the Customs Union as of the date of the accession of that member state.

Using trade-related WTO rules as the basis for the evolution of ECU is significant for economic reasons. The common external tariff of the CU will change to accommodate Russia's WTO commitments. It was also agreed that the common tariff would serve as a goods schedule for any subsequent entry to WTO by Belarus and Kazakhstan, although the two countries would still have to negotiate their own separate schedules for services and non-tariff measures. Further, member states are obliged to ensure that existing as well as future ECU international agreements and decisions comply with the WTO regime, even in case of non-WTO members (i.e. Belarus and Kazakhstan). Thus the ECU rests on a direct and immediate connection with the rules-based regime of the WTO. In essence, the WTO will prevail over conflicting ECU provisions. This is different from any previous regional integration arrangements within the post-Soviet space. Many observers see it in highly positive terms because WTO membership has beneficial effects by fostering transparency and ensuring predictability of policy-making in member states. Therefore, the provisions of the WTO and the international customs regime (like the Kyoto Convention) have

138 Eurasian Union: a challenge for the European Union and Eastern Partnership countries. Eastern Europe Studies Centre. 2012.

become standard reference points in drafting agreements to improve the ECU regime. In principle, the existence of a preferential trade regime on the territory of ECU members is not inconsistent with the WTO. What is different about ECU is that both Belarus and Kazakhstan are not members of the WTO, yet they will be obliged to share a common external tariff with a WTO member, Russia. This means that industries within the two countries will be exposed in principle to greater competition from imports from third countries that are members of the WTO. However, without WTO membership, exporters from Belarus and Kazakhstan will not enjoy greater access to foreign markets. In the future, in the event that all the ECU countries enter the WTO, they will act as a bloc within the WTO and attempt to shape the evolution of the global trade regime. In the short term, the ECU requires formal recognition from the WTO, especially if the Eurasian Economic Commission is to build a reputation as an important actor. Consequently, full membership of the WTO will be a requirement and a major goal of the ECU in the following years.

4.2 Eurasian Union: Activities and Institutions

In this part we will see what are the main activities of the Eurasian Union and how the organization works. First of all, I will dedicate one paragraph to the functioning of Eurasian Union, to explain in what consists economic integration and how it works. Then, in the second paragraph, I will describe the institutional framework of the initiative, pointing out the characteristics of the main bodies of the organization and their functions. Finally, in the third paragraph I will discuss about the budget of the organization that, as we will see, is organized in a completely different way than the one of Eastern Partnership.

4.2.1 Economic Integration

As I mentioned in the previous paragraph, the Eurasian Union is an economic union of states that currently comprises five members. It is based on the voluntary delegation from the nation states of national sovereignty, following the path of the European model. The Treaty that established the EEU was signed on 29 May 2014 by the leaders of Belarus, Kazakhstan and Russia, and came into force on 1 January 2015. The Union was designed to achieve integration between member countries at the economic level. The EEU introduces the free movement of goods, capital, services and people and provides for common transport, agriculture and energy policies, with provisions for a single currency and greater integration in the future.

The EEU has a number of macroeconomic objectives, such as reaching market harmonization, reducing commodity prices - by decreasing the cost of transportation of raw materials - increasing return on new technologies and products due to the increased market volume and promoting "healthy" competition in the common market. It is also designed to lower food prices, increase employment in industries and increase production capacity.

The Eurasian Union is based on the previous integration initiatives in the region, such as the Single Economic Space. The core objective of the SES is the development of a single market and the achievement of the "four freedoms", namely the free movements of goods, capital, services and people within the single market. The four freedoms came into effect on 1 January 2015, but each of them is developing at different speeds. Member states have a common external tariff on all goods entering the market and unified methods of valuing imported goods since the creation of the Eurasian Customs Union. Sensitive goods, such as alcohol and pharmaceuticals, are still subject to restrictions, as member states are unwilling to fully open their markets to competition from these goods. Part of the competences of the Eurasian Economic Commission are agriculture subsidies, and the Commission is responsible for the coordination of agricultural policy-making between member states and ensuring collective food security. The Eurasian Development Bank finances

projects to further integration and develop agriculture. It has disbursed approximately US\$470 million for projects between 2008 and 2013. In the field of competition, the Eurasian Economic Commission developed a competition policy to ensure equal competitive conditions in the commodity markets of the Single Economic Space. It also aims at the harmonisation and improvement of legislation of each of the three countries in competition policies. The Commission serves as the competition regulator for the single market and is also responsible for antitrust issues.

On the contrary, the free movement of services and capital is unlikely to be realized in the short term. Kazakhstan, for example, negotiated exemptions from liberalizing transport services to protect domestic carriers, meaning there is no common transport market at present. Positive results are expected from the Single Eurasian Sky programme, administered by the Eurasian Economic Commission, outlines the creation of a single market for air services and a single air traffic zone, that would make it easier for airlines to draw up new flight paths, thereby increasing the number of flights flying through the region. The project will reportedly help turn the airspace of the Eurasian Union into a popular transit hub between Europe and Southeast Asia. On the contrary, at the moment, there is still no common energy market, meaning no non-discriminatory access to Russian gas transit system for Belarusian and Kazakhstani suppliers. In the energy field, the Eurasian Economic Union is seen as an energy superpower, producing about 20.7% of the world's natural gas, and 14.6% of the world's oil and gas condensate in 2012, making it the world's top producer in both domains. It also produces 9% of the world's electrical energy and 5.9% of the world's coal, making it the third and fourth producer in the world, respectively. By 2019, Russia, Kazakhstan, Belarus and Armenia intend to create a common electricity market as well as a single hydrocarbons market by 2025. *"With the creation of a single hydrocarbons market, we will have a deeper coordination that will allow us to be more competitive both in terms of pricing and in terms of getting high value added products in this very interesting and important market"*, stated Eurasian Commissioner Daniyal Akhmetov¹³⁹. Monetary policy is another area under discussion, although at a recent meeting of the EEU Supreme Council, in May 2015, Putin sounded a note of caution: *"we are fully aware that this is a matter for the future. Nobody here is going to get ahead of themselves"* (Putin 2015).

The issue of free movement of people is currently under discussion, in particular residency rules that limit the ability of entrepreneurs to open or relocate businesses and bring in personnel from other member states. Free movement of people means that citizens can move freely among member states to live, work, study and that citizens of the member states of the union may travel to other member states with their internal passports.

Finally, another development of the Eurasian Union that needs to be mentioned is the process of stipulation of free trade regimes with other countries. Russia's economic development minister stated that the Turkish economic minister, Nihat Zeybekci, put forward an initiative for closer cooperation with the Eurasian Economic Union, including the formation of a free trade zone between the union and Turkey. The Customs Union completed a free trade agreement with Vietnam in May 2015, that should enter into force in 2016. As announced by Russian Deputy Prime Minister Arkady Dvorkovich on 9 December 2013, Israel is considering signing a free trade agreement with the Eurasian Economic Union. In February 2015, Egyptian president Abdel Fattah al-Sisi announced his country to sign a free-trade agreement with the Eurasian Union. In May 2015, the Union gave the initial go-ahead to signing a free trade agreement with Iran and in December 2015 a "temporary Agreement" was signed between Iran and the EEU, which Commissioner Andrei Slepnev characterised as the "first step toward the materialization of free trade between Iran and the Union". Moreover, Putin stated at a July 2014 meeting of ambassadors and permanent representatives of the Russian Federation that he was ready to discuss a free trade area between the European Union and the Eurasian Economic Union.

139 Cfr. Daniyar (2014).

4.2.2 Institutions

One of the most significant moments in the development of the EEU has been the creation of an institutional framework able to push the integration agenda. As I mentioned before, the institutional framework of the Eurasian Economic Union is in many ways inspired by that of the European Union, although EEU has a four-tiered governance structure that is more pyramidal than the more diffuse decision-making processes of the EU. All EEU institutions carry out their work in compliance with the Treaty on the Eurasian Economic Commission and the international agreements that provide the legal and regulatory framework of the Customs Union and the Single Economic Space. Even if the professional Commission ministers put their national allegiances aside and try to push the path of integration for the “greater good,” all important decisions are passed up the chain of command, first to the Commission Council in the form of national government deputy prime ministers, and then, if no agreement is found, to the Supreme Council.

4.2.2.1 Eurasian Economic Council

The highest body of the EEU is the Supreme Council, which is composed of the Heads of State of each Member State. As such, all the decisions taken by this “supranational” institution are open to veto. The overall institutional design of the EEU, with real decision-making located in the Supreme Council, means that the heads of state can decide to take integration to different directions and to develop stronger supranational bodies in the future, should that avenue become expedient. The Supreme Council determines the strategy, the direction and the prospects of integration and takes decisions aimed at achieving the goals of the Union. It also approves the budget and the distribution of the contribution of the Member States. However, the EEU model, based on presidential “manual control” has obvious drawbacks. Not only is the fate of the entire integration process dependent on the chemistry that exists between national leaders (and their ability to retain presidential power), but there is significantly less room for other actors in the integration process to play their role.

4.2.2.2 Eurasian Economic Commission

The Eurasian Commission is the first supranational institution that appeared in almost 25 years of post-Soviet integration, representing a notable achievement in its own right and a strong signal of intent from EEU founding states. The Eurasian Commission was modelled on the European Union Commission, and it monitors subordinate branches and advisory bodies. Its departments were greatly expanded on 1 January 2015, and the number of international employees increased from 150 to 1,200. The Eurasian Commission can take decisions on not only the customs policy of the union, but also on macro-economy, competition regulations, energy policy and fiscal policy of the Eurasian Economic Union. The EEU Commission consists of two bodies: the Council and the Collegium. The Council is composed by the Vice Prime Ministers of each member state. It oversees the integration processes in the Union, and is responsible for the overall management of the Eurasian Commission. It monitors the commission by approving the draft budget of the Union, the maximum number of personnel, and the qualification requirements for the commission's employees. It also considers issues of customs cooperation, trade and development of Eurasian integration. The council regularly holds discussions on the important aspects of the EEU and meets with business representatives of the member states.

The Collegium of the Commission is the executive body of the Commission. It is composed of twelve commissioners, one of which is the Chairman of the board. Each member state provides three commissioners to the Collegium of the Eurasian Commission who carry out the operational management and oversee the everyday work of the Eurasian Commission. All twelve

commissioners are appointed by the Supreme Eurasian Council for a four-year renewable term. The Collegium, that convenes once every week at least, is responsible for the day-to-day running of the Eurasian Economic Union. It has a wide range of activities, including monitoring the implementation of treaties, submitting annual progress reports and making recommendations. The board of the commission also assists member states in the settlement of disputes, and carries out the draft of the union's budget. Part of its activities include being the intermediary between the departments of the commission and the heads of state of the member states. In terms of functioning, there are 23 departments under ministerial control in the Commission, each divided among the members of the Board, with the emphasis on “equality” and an even division of labour between national representatives. Each department covers an area of integration and economic activity, coordinating with corresponding government bodies in member states.

Despite some criticism that the Commission is a Russia-dominated institution, in particular since it is based in Moscow with Russian as the working language and with a predominance of Russian support staff, the Commission is balanced by the absence of any weighted voting that would favour Russia (a problem with EurAsEC), meaning that consensus decision-making is the norm, although there is limited use of qualified majority voting for low-level decisions. In the early days of the Customs Union, decisions in the Eurasian Commission were taken through a system based on weighted voting where Russia had 55% of the votes and Belarus and Kazakhstan 22.5% each, with decisions taken by two thirds of the votes. Such a system ensured that no decision could be imposed by Russia alone, but conversely no decision could be taken by Belarus and Kazakhstan without Russia. That system was subsequently dropped and the Eurasian Commission’s decision making (at its Council level) is currently based on the principle of unanimity between the three states. In addition, the first-ever meeting of the Commission Council in January 2013 resolved to establish representative offices in Belarus and Kazakhstan and, overall, the Commission is characterized by highly professional staff, committed to the task of integration: *“Although we all are representatives of our own countries within the Commission, we do not represent the interests of our countries ... we all stand for the common interests of integration”*¹⁴⁰. However, the Eurasian Commission from the outset was designed to be a much less ambitious supranational body than the official discourse surrounding the EEU suggests, reflecting the fact that member states were not prepared to give it anything more than limited competencies. Although the Eurasian Commission itself states that Commission decisions are “binding on the territory of the EEU member states”, this is more than a little deceptive. The Eurasian Commission is certainly more intergovernmental than supranational. All Commission members are delegates nominated by national governments and whatever decision the Commission makes, at this stage, is only the result of consensus among member states. In the absence of genuine powers to enforce decisions, the main challenge for the Commission is to try to harmonize diverging national interests and achieve consensus on issues pertaining to the common market, as without full agreement at the national level, the Commission cannot function as a supranational organ. But with stark differences in economic models, priorities, and sheer size among member states achieving consensus is no easy task, confirmed by the fact that the EEU is already following the path of multi-speed integration.¹⁴¹

Moreover, unlike the EU, where the European Commission’s directives are mandatory for all member states, the Eurasian Commission has the power to monitor, make suggestions, and issue orders, but the only further option is to refer the case to the Eurasian Court – created in 2000 and itself a remnant of EurAsEC – which has no enforcement powers. In any case, the Commission must notify the Supreme Council once a case is referred to the Eurasian Court, and this opens up opportunities for behind-the-scenes negotiations among EEU heads of state.

140 Cfr. Daniyar (2014).

141 Cfr. Roberts (2015).

4.2.2.3 Court of the Eurasian Economic Union

The Court of the Eurasian Economic Union replaced the Court of the Eurasian Economic Community (EurAsEC Court) in 2015. It is in charge of dispute resolution and the interpretation of the legal order within the Eurasian Economic Union. Its headquarters is in Minsk. The court is composed of two judges from each member state, appointed by the heads of government of the member states. Their term of office is nine years.

4.2.3 Budget

The budget of the EEU is formed from contributions by the Union's member states. In 2015, 6 billion Rubles were allocated for the activity of the Eurasian Economic Commission, 463 million Rubles were set aside for financing the operation and further development of the EEU integrated information system designed to promote and inform consumers of the EEU's activities, and over 290 million Rubles financed the activities of the Court of the EEU. Extra expenses of infrastructure and accommodation of commission workers are financed by Russia. In addition, Russia allocated USD\$1 billion to accelerate Kyrgyzstan's entry into the union. Another USD\$ 177 million was provided by Kazakhstan.

4.2.3.1 Eurasian Development Bank

Despite not in the framework of the Eurasian Union, the Eurasian Development Bank (EDB) is composed by all the Union's member states and has an important role in funding and evaluating the activities of the Union. The Bank is an international financial organisation established to promote economic growth in its member states, extend trade and economic ties between them and to support integration in Eurasia. The Bank was conceived by the Presidents of Russia and Kazakhstan and it was established in 2006, following the signing of an international agreement by the Presidents of those two countries on 12 January that year. Current members of the Bank are Russia, Belarus, Kazakhstan, Armenia, Kyrgyzstan and Tajikistan. Any country or international organisation that shares EDB's goals is eligible to join it. A country or international organisation may accede to the EDB subject to the approval of the necessary resolutions by the Bank's Board after such states and organisations have signed up to EDB's Foundation Agreement and purchased Bank shares according to an established procedure. EDB's greatest achievement of recent years has been its recognition as an international financial development institution specialising in regional integration. The Bank's activities are aimed at creating the conditions necessary for encouraging sustainable economic development, promoting integration between EDB member states and mitigating the consequences of the global financial and economic crisis. EDB's priorities are:

- attracting new member states;
- financing investment projects that promote integration;
- helping to implement projects that support integration;
- research relating to economic integration;
- diversifying its investment portfolio across the regions of its member states.
- managing the Eurasian Fund for Stabilization and Development (EFSD).

The Bank has provided financing to the EEU for a total of more than US \$5,3 billion to investment projects in its member states. EDB abides by the strictest environmental standards and invests only in projects which meet its exacting environmental criteria. International credit ratings agencies have assigned ratings to the Bank on equal or higher terms than the individual sovereign

ratings of its member states. This ensures that the Bank has access to international and national financial markets. The Bank's charter capital totals US \$7 billion, including US \$1.5 billion of paid-in capital and US \$5.5 billion of callable capital. In 2007 the Bank acquired the status of an observer at the UN General Assembly, the UN Trade and Development Board (UNCTAD) and at the Eurasian Group on Combating Money Laundering and the Financing of Terrorism (EAG)¹⁴².

4.3 Outcomes

As a territory encompassing over 20 million square kilometres and with a market size of just over 182 million people, the EEU represents the most significant development in the Eurasian economic and political landscape. In this part, I will try to give an assessment of the outcomes Eurasian Union as I did for Eastern Partnership. In the first paragraph, I will present an assessment of the economic performance of the Customs Union and the more recent Eurasian Union with currently available data. In the second paragraph, I will present the political and geopolitical consequences of the Eurasian Union, especially for Russia.

4.3.1 Economic Outcomes

Assessing the potential of an integration project in its early stages of development is not an easy task, and this is particularly true for the EEU with its relatively short-track record. Moreover, economic indicators for the Customs Union in the period 2010–2015 need to be understood in the context of volatile international circumstances and thus offer little insight into the potential of Eurasian economic integration. Any analysis of production levels and trade volumes between member states during 2010–2015 must take into account the fall in international commodity prices (in particular for oil and gas), the effects of the global financial crisis (in particular the economic contraction and then expansion, 2010–2012) and the ongoing effects of the economic sanctions imposed on Russia following the annexation of Crimea. In other words, the economic outcomes of integration to date remain, at best, unreliable. In addition, there is a great deal of uncertainty surrounding the EEU in terms of functionality, reflecting the success of member states in moving from Customs Union to full economic union in only five years.

Overall, member states remain optimistic of the union and key partners in the region, like China, Iran, Turkey remain interested in it. A common belief is that the Eurasian Economic Union has significant potential for the next two decades, with experts predicting a 25 percent growth in the member states' GDP by 2030, which equates to over US\$600 billion¹⁴³. However, the European Union and the United States as well as other western countries remain critical of the Eurasian Economic Union, with analysts stating that without modernisation and real economic reforms, the union will have little impact on its members' economies. The magazine "The Economist" stated that the advantages of joining EEU remain unclear and remarked that "*The agreement was vague, with technical details left unresolved, making it a political show rather than an economic one*"¹⁴⁴. Moreover, many critics claim that in the two decades following the dissolution of the USSR, Russia's weight and importance as a trading partner for most post-Soviet states drastically declined.

If we look at economic estimations, since the establishment of the Eurasian Customs Union in 2010, trade between member states rose sharply. In 2011 mutual trade was USD 63.1 billion, 33.9% more than in 2010. In 2012, mutual trade was USD 67.9 billion and combined exports reached USD

142 More information is available at the following link: <http://eabr.org/e/about/>

143 For more information, see the following link: <http://www.nna-leb.gov.lb/en/show-news/27182/Leaders-of-Kazakhstan-Russia-and-Belarus-to-meet-in-Astana-to-sign-agreement-establishing-EEU>

144 "Where three is a crowd". *The Economist*. May 30, 2014.

593.7 billion, while imports were USD 340.9 billion. Therefore, the first integration stage primarily enhanced trade among member states, bolstered economies and created a legal and institutional foundation for the member states.

An important consequence of the Eurasian Union is that it will change the existing trade arrangements between member states and external actors. Russia has much higher tariff levels than most post-Soviet states. For example, its trade-weighted average tariff agreed in the WTO was 9.9% for 2011, whereas in the same year it was 3.6% for Armenia, 3.8% for Kyrgyzstan, 2.7% for Ukraine, and 3.7% for Moldova. The Customs Union largely took Russia's tariff levels as a basis for its own tariff provisions. Therefore, when new members join the Customs Union are usually obliged to raise their tariffs. In practical terms, this means that importing from the EU and China will become more expensive, making many consumer goods costlier for the population, as well as new equipment and machinery for businesses. Since the initial common external tariff was the Russian tariff, there was little change in incentives regarding tariffs in Russia. The big change occurred in Kazakhstan, which had a much lower tariff structure than Russia prior to implementing the EEU tariff. Despite the exemptions allowed it on a transition basis, Kazakhstan almost doubled its tariffs in the first year of the union. The increase in the tariffs on many items not produced in Kazakhstan, but produced in Russia, led to a substantial increase in imports from Russia and displacement of imports from the rest of the world¹⁴⁵. The new members of the EEU, Armenia and the Kyrgyz Republic, are in much the same position as Kazakhstan, and, in fact, start from an even lower average MFN tariff. Therefore, from Russia's perspective, the customs union represents an expansion of the market¹⁴⁶. Some cite the expanded Russian exports to Kazakhstan as evidence of the success of the customs union. But the displacement of European or Chinese imports in Kazakhstan (and prospectively in the Kyrgyz Republic and Armenia) by higher-priced or lower-quality imports from Russia, under the tariff umbrella of the common external tariff, represents a substantial transfer of income from the more open economies to Russia, and is an example of what economists call "trade diversion." Further, the five countries of the EEU together constitute a market too small to erect tariff walls against external competition. They would lose the benefits of importing technology from advanced countries, and would have to rely on high-priced production from within the customs union.

A substantial benefit to the Union could come from the reduction of non-tariff barriers. There is both econometric and descriptive evidence that non-tariff barriers are a significant problem in the EEU. Currently, standards are the favoured method of nontariff barriers in the EEU. If the union could make substantial progress on reducing these barriers, it would be a significant accomplishment. However, so far the EEU does not appear to have made any progress on non-tariff barriers. In past years there have been standards-based trade disputes between Belarus and Russia on several products, including milk, meat, buses, pipes, and beer. The World Trade Organization's SPS and TBT agreements recognize the legitimate regulatory functions of standards and regulations, but call for the regulations to be applied in a manner that does not discriminate against imports or impose excessive costs. A big problem in reducing standards as a non-tariff barrier in the EEU is that standards regulation is still based primarily on the Soviet system of standards regulation, known as GOST. There are reportedly about 20,000 standards that apply in the customs union. Lacking a market to control quality in the Soviet era, GOST standards controlled the quality of products even when there was no health or safety issue. That is, mandatory technical regulations were employed where market economies allowed voluntary standards to apply. Even the process under which products were produced was controlled in many cases. This regulatory system makes innovation and adaptation to the needs of the market very costly, as firms must negotiate with regulators when they want to change a product or how it is produced in response to market conditions or technological changes. This overly mandatory regulatory system is a bigger problem

145 Cfr. Isakova (2012).

146 Cfr. Tarr (2012).

than a trade problem, as it impacts virtually all producers, regardless of the destination of the product. Legislation in Russia, Belarus, and Kazakhstan calls for conversion to European Union technical regulations and to voluntary standards where no health and safety problem exists, but this is happening very slowly in all three countries. The Customs Union has worsened the situation. Technical regulations are now decided at the level of the EEU, so firms that previously negotiated with their national standards authority, now have to get agreement from a multicounty committee of the EEU, and this has reportedly caused further delays, impeding innovation and the ability of firms to meet the demands of the market¹⁴⁷.

Another relevant economic consequence of the Eurasian Union is connected with the WTO. The increased level of international integration achieved through both the creation of ECU shaped by WTO principles and through Russia's accession to the WTO itself might be expected to help to improve the prospects for economic reform, leading to positive institutional change. It is difficult at this stage to assess how the effects of Russia's accession to the WTO will be. The first benefit of trade liberalization is that lower tariffs should increase trade and enhance customers' choice. According to the EBRD, as a result of Russia's accession to the WTO, consumers in Belarus and Kazakhstan would, like their Russian counterpart, have access to a greater array of goods at more competitive prices. Second, producers within ECU would benefit from increased market size, while consumers will also benefit from greater competition in product markets. However, the gains of the producer side are likely to be less than the producers, since Belarus and Kazakhstan gain access to Russia's market but not the markets of other WTO members. A third benefit could arise from the participation in international production networks, where the producer gains greater access to international supply chains. However, according to the EBRD, the gains in this field are limited for two reasons. On the one hand, the structure of exports suggests that regional production chains with vertical specialization have yet to evolve. This is largely a function of the low levels of FDI flows between the three countries. Thus, for as long as Belarus and Kazakhstan remain outside the WTO, the benefits of ECU would come from increased access to ECU markets and increased consumer choice and competition from imports. Producers are likely to benefit indirectly through measures taken to increase competitiveness in response to the threat of greater competition from imports. Moreover, the reduction of the common external tariffs of the EEU as a result of Russia's WTO commitments will substantially reduce the trade diversion costs of the common external tariff, and will increase incomes from that impact. On the other hand, it will also lead to preference erosion and a loss of income for exporters within the EEU, who will face increased competition from firms outside the EEU. In the case of Belarus, it will lead to an annual gain in the welfare (real income) of Belarus by about 1.1 percent of the value of consumption in Belarus: a gain of 2.0 percent of consumption from improved resource allocation and productivity impacts in Belarus, and a loss of 0.9 percent for Armenian commitments to the WTO. In the case of Kyrgyzstan, its WTO bound average tariff of 7.5 percent will be below the final EEU applied tariff of 2020, creating potential problems if WTO trade partners object. Similarly, Kazakhstan joined the WTO in 2015 with a bound average tariff of 6.1 percent. Thus, Kazakhstan and, to a lesser extent, Kyrgyzstan will have to exceed their WTO bound tariff levels on many tariff lines. This may require "compensation" from the EEU in the form of lowering the common external tariff on some tariff lines to provide offsetting market access. Consequently, if a WTO member objects, Russia should be able to agree to lower the bound tariffs of the customs union so as to pay "compensation" to the WTO members for Kazakhstan's and Kyrgyzstan's application of tariffs higher than their WTO commitments, without actually having to lower any applied tariffs in Russia. Furthermore, it has to be said that the increase in tariffs upon joining the EEU has complicated Kazakhstan's WTO accession process, and would breach existing WTO commitments for current WTO members that are set to join the EEU (Armenia and Kyrgyzstan) since they would need to raise their tariff levels.

147 Cfr. Tarr (2016).

For Russia, another relevant outcome at the economic level is that it is the economic engine upon which the success of the project depends, but also the main loser if the project fails. In the context of economic sanctions, instability in Ukraine, and a general economic slowdown in Russia, this environment now looks problematic, and Russian economy is presently experiencing significant difficulties. Official statistics show that the Russian economy shrank by 4.6% in the second quarter of 2015, and IMF projections suggest that sanctions linked to the Ukraine crisis may cause as much as a 9% contraction in Russian GDP over the next few years. Russia's continuing economic and international problems will likely complicate both deepening and widening the EEU. The strength of the Russian economy will have a large bearing on the EEU's future expansion. A big problem for Moscow is how to keep all EEU members on the integration course in the context of reduced financial leverage without propping up struggling economies and paying more for the integration process. Kyrgyzstan, for example, secured substantial funding from Russia ahead of its eventual EEU membership and will likely require more, if it is to successfully restructure its economy to reduce reliance on re-exporting Chinese goods. Much of the attraction of the EEU for member states is tied to Russian subsidies. Many states in the region are indirectly reliant on the Russian market but also the Russian labour market, in the form of remittances, which have suffered due to the weakening rouble.

4.3.2 Political Outcomes

If, as we have seen, it is rather difficult to make an assessment of the economic outcomes of the Eurasian Union, we can easily discuss about consequences of the Union at the political level. The overall impact of the EEU in political terms will mainly depend on whether it receives international recognition. For the moment, the EU has not yet recognized Eurasian Union and its common market and is not willing to take into consideration the Eurasian Union when negotiating an agreement with Russia. The argument of the EU Commission is that it has to act under a mandate that is given by the state, and they have not yet changed the mandate, as Russia asked them to do¹⁴⁸. Therefore, the international context surrounding the EEU has raised the costs for each EEU member state. For Russia's partners, there is no desire to sign up to an isolationist project and to give up their multi-vectored foreign policies. For Armenia, Belarus, and Kazakhstan the value of the EEU is significantly reduced if it undermines relations with third countries¹⁴⁹. Moreover, the crisis in Ukraine, sparked by the refusal of former president Viktor Yanukovich to sign an Association Agreement with the EU in November 2013 and to follow a path toward closer European integration, remains an important external influence on Eurasian economic integration. Ukraine was an important trading partner for each of the EEU founding states and so it was no surprise that Ukraine's inclusion in the project was a major objective from the outset. Even after the removal of Yanukovich from office in February 2014, EEU member states had not given up hope that Ukraine would change course in the future. But the real issue for Eurasian integration lies not so much in the loss of Ukraine for the project (although this was significant), but in the manifestation of hard competition between Russia and the EU and, by extension, the US. The removal of Yanukovich and the chain of events that followed, including Russia's annexation of Crimea, conflict in the east of Ukraine, and economic sanctions imposed on Russia, as well as Russia's own countersanctions, have served to create extra pressure on the integration process.

In terms of regional relations, Belarus's President, Aleksandr Lukashenko, has identified the EEU as the foundation for future political unity, as well as military and humanitarian cooperation. In terms of the broader region, both Putin and Lukashenko have at various times framed Eurasian integration in terms of building a "Greater Europe", manifesting what Lukashenko has termed the

148 Cfr. Romanova (2014).

149 Cfr. Roberts (2015).

“integration of (the two) integrations” – a goal still achievable, according to Lukashenko, despite the Russia-EU tensions over Ukraine. From his part, Putin has spoken of the way Eurasian economic integration can create the conditions to *“change the geopolitical and geo-economic configuration of the entire continent,”* creating an *“undoubted positive global effect”*. But the most ambitious aspect of the EEU is considered to be the attempt to embark on an EU-style integration project. Sergei Glazyev, an advisor to Putin on matters pertaining to Eurasian integration, has confirmed that the EEU is *“following the general contours of European integration”* and guided by the pragmatic objective of increasing economic competitiveness by *“ceding sovereign rights”* and steadily deepening integration and harmonizing national laws¹⁵⁰. Noting this fast-flowing regional integration, Vladimir Putin commented: *‘It took Europe 40 years to move from the European Coal and Steel Community to the full European Union. The establishment of the Customs Union and the Common Economic Space is proceeding at a much faster pace because we could draw on the experience of the EU and other regional associations. We see their strengths and weaknesses. And this is our obvious advantage since it means we are in a position to avoid mistakes and unnecessary bureaucratic superstructures.’*

However, despite this positive rhetoric, the EEU is not a transformative project comparable to the EU, and even if there was a genuine desire among member state leaders to take the EEU down this path in the future, significant barriers remain. Identity issues and the fierce protection of sovereignty limit the ability of member states to realize even the modest goals of trade liberalization. Moreover, the external influences on Eurasian integration, when considered in the context of the Ukraine crisis, 2013–2015, serve to exacerbate long-standing coordination problems while raising the costs of integration for each member state involved. Another backdrop of the EEU project is that Eurasian integration is inevitably asymmetric, with Russia being the dominant party in terms of territory, population, economic strength and military might. This places particular obligations on the Russian leadership but also gives it the main benefits at the geopolitical level. A number of studies have focused on this geopolitical component in an attempt to explain the appearance of the EEU, in particular its timing. For Russia, regional integration has mainly political significance. As we have seen, tightening relations within the CIS has become one of the priorities of Russian foreign policy in recent years. From Russia’s point of view, regional integration was intended to counteract the economic expansion of third countries and to prevent Moscow’s ties with the CIS countries from loosening. Regional co-operation has become one of the platforms of Moscow’s competition with the European Union for influence in the former Soviet Union’s European countries, especially Ukraine and Moldova. On the other hand, strengthening Russia’s presence in Central Asia was aimed at balancing China’s growing activity in the region. At the same time, closer regional cooperation was to guarantee Russia the maintenance of strong political and economic influence in the area, especially in the energy sector, which determines the importance of this region to the global economy. As we saw before, Moscow sees the strengthening of its position in the region as a way to raise its significance in the international arena. The integration of potentials of the CIS countries (raw materials, capitals and human potential), as presented by Vladimir Putin in some newspaper articles, was to increase the competitiveness and attractiveness of the area, upgrading its position in the global economy. In the future, the integrated CIS region could strengthen cooperation with the European Union by creating a common economic space from Lisbon to Vladivostok. The partnership of these two integration structures would create a real environment for geo-political and economic changes on the continent, which would also have an effect of global importance. Regional integration was also important for Russia’s image – Moscow needed the success of this process to demonstrate that it remains the centre of attraction for the CIS, capable of effectively taking the initiative in the post-Soviet area. Russia also wanted to show that it

150 Cfr. Roberts (2015).

is an independent player in the international stage, able to build its own regional groupings, similar to those created in other regions of the world¹⁵¹.

Despite all the weaknesses in the foundations of the Eurasian Union, the project is going forward due to the sheer political will and determination of Russia's leadership. Reintegrating the former Soviet republics has been a key Russian foreign policy priority virtually from day one since the dissolution of the USSR. This time, though, Russia has more resources to do it than before, and Putin is determined to pursue this goal, since, in his opinion, brings geopolitical benefits to his country, as well as domestic political benefits for his presidency. Perhaps the strongest supporters of the project are those who support the resurgence of Russia as an assertive great power – *derzhavniki*. This group comprises elements from various sections of Russian society, ranging from those who are nostalgic for the communist era to nationalists to liberal 'imperialists'. These groups see the EEU as a first step towards reasserting Russia as one of the regional poles of influence in a multipolar world. However, the influence that Russia managed to exercise on the other Union's members political positions remain controversial, and the Ukraine crisis, as well as the general volatility of the global economy has already revealed tensions among EEU member states as well as their increased inability or unwillingness to coordinate their policies. Kazakhstan, for instance, chose to abstain on the UN resolution in March 2014 calling on states not to recognize changes to the status of the Crimea region, while Armenia, Belarus, and Russia voted against the resolution. Tensions and coordination problems have also been particularly evident in Russia's attempt to enforce its own countersanctions, drawn up in response to EU's and US' sanctions that followed the annexation of Crimea¹⁵².

Conclusions

In this chapter we analysed Russian policies in countries of the Near Abroad. In the first part, I reconstructed the main steps that led to the creation of the Eurasian Union. We saw that the first organization conceived to loosely aggregate the post-Soviet space was the Commonwealth of Independent States, that sponsored cooperation among countries of the Former Soviet Bloc and in 1994 introduced a free trade area among willing members. Some years later, Russia promoted a deeper level of economic integration in the form of the EurAsEC Customs Union and the Customs Union of 2010. Finally, on the 1st of January 2015, the Eurasian Union was launched by Russia, Kazakhstan and Belarus and later joined by Kyrgyzstan and Armenia. In the second part of the chapter we saw how the Union works in concrete, what are its main economic provisions and what is the institutional framework of the initiative. Finally, in the last part I presented some hypotheses on the outcomes of the Eurasian Union. Even though it is too early to give an assessment of the economic impact of the Union on member countries, we said that the Union surely will have important consequences both at the economic and political level for the countries concerned. In particular, it will considerably strengthen Russian geopolitical position. Despite the possible costs of integration and the problems that the Union has to face due to the unstable economic situation and the Ukraine crisis, for Russia it represents a boost to its role in international affairs, since it increases its international status and visibility. This outcome is perfectly coherent with the Russian foreign policy strategy that we examined in the previous chapter.

In the following chapter, I will compare the outcomes of the previous chapters in order to assess the degree of compatibility of strategies and policies of Russia and the EU in the shared neighbourhood.

151 Cfr. Wiśniewska (2012).

152 Cfr. Roberts (2015).

Chapter 5 - Compatibility of EU-Russian Strategies and Policies

The previous chapters were dedicated to the study of EU's and Russia's strategies and policies in the shared neighbourhood. Through the analysis of official documents, political declarations and concrete actions and events, in the first and the third chapters I reconstructed the strategy that the two actors followed toward the shared neighbourhood since 2000. In the same way, in the second and the fourth chapter I presented the concrete policies that the EU and Russia conceived to transfer their strategy in the neighbourhood into concrete actions. I tried to give to these chapters a structure as similar as possible as to make their comparison easier. The aim of this chapter is to answer to the research question that I outlined at the beginning of the work. Given the current tensions between the EU and Russia in the international sphere, I wanted to assess whether their strategies and policies in the shared neighbourhood are potentially compatible, and, if they are not, to point out what are the main causes of their incompatibility. As the Ukraine crisis has shown, there are certainly some elements of incompatibility between the two strategies or policies.

To respond to this question, this chapter is divided into three parts. The first part is dedicated to a comparative analysis of Russia-EU strategies in the shared neighbourhood, on the basis of the outcomes of the first and the third chapters. After a part on the comparison between the developments of the two strategies over the last decades, I will give an assessment of their level of compatibility. Similarly, in the second part of the chapter I will compare EU-Russian policies in the shared neighbourhood, in particular the projects of Eastern Partnership and Eurasian Union that I analysed in the second and fourth chapters. After the comparisons of all their relevant aspects, I will assess the level of compatibility of the two policies. Finally, the third part of the chapter will be dedicated to the analysis of the Ukraine crisis. Without entering into details of the internal crisis of the country, I will analyse how the strategies and policies of Russia and the EU entered into conflict in that occasion, and whether the events are in line with the outcomes of my study.

5.1 EU-Russian Strategies in the Shared Neighbourhood

The aim of this section is to assess what is the level of compatibility of EU-Russian approaches toward the shared neighbourhood. In the first paragraph, I will compare EU and Russian approaches toward the shared neighbourhood using the outcomes of the analysis of the first and the third chapters. Therefore, I will divide the comparison on the basis of the chronological division that I used to delimitate three distinguished periods of EU and Russian foreign policy approaches in the neighbourhood. For each time framework, I will compare EU and Russian foreign policies, strategies and approaches toward the neighbourhood and toward each other. I will point out how the two approaches developed in parallel as a result of changes both in the internal configuration of the two actors as well as in the external environment. After this comparison, in the second paragraph I will assess the level of compatibility of the two strategies, and how it developed over time. I will therefore take into consideration the two actors' goals, instruments, mutual perceptions and ideal visions of Europe's shape – the notions of Wider Europe and Greater Europe – and study what is their level of compatibility. The aim of this exercise is to identify whether EU-Russian strategies can potentially converge one with the other or whether they are irreconcilable.

5.1.1 Comparison of Strategies

As I said, this paragraph is dedicated to a comparison of EU-Russian approaches toward the shared neighbourhood under an historical perspective. In the last fifteen years the EU witnessed the process of expansion of its membership and the consolidation of its foreign policy through successive treaties. These processes gave more consistency to its actions in the neighbourhood, that became increasingly more assertive. At the same time, Russia lived a process of consolidation of its internal situation and strong economic growth that led to a revisionism in its foreign policy since the mid-2000s, leading to a more assertive and pragmatic foreign policy. It is under this evolving background that Russia-EU strategies over the shared neighbourhood evolved in the last years. As I did in the first and third chapter, I will divide the comparison into three chronological parts: from 2000 to the war in Georgia of 2008, from 2008 to the crisis in Ukraine in 2014 and from 2014 up to the present. Comparing the approaches of the EU and Russia toward the shared neighbourhood requires taking into consideration a huge variety of factors, including the evolution of goals, interests, strategic approach and instruments of the two actors. Moreover, I will consider the evolution of the strategies of both the EU and Russia as a consequences of internal changes and of changes in the regional and international arena as well as in EU-Russia bilateral relations.

5.1.1.1 2000 - 2008

EU and Russian strategies toward the shared neighbourhood have always been considerably difficult. As we saw in the first chapter, the European Union initially did not have a proper strategy to deal with countries of Eastern Europe and the Caucasus. In the '90s it focused its efforts on the stabilization of CEECs, that had been finally been granted the membership perspective in the early 2000s. With countries of Eastern Europe and the Caucasus it sponsored Partnership and Cooperation Agreements to replace the previous trade agreements stipulated with the USSR. The aim of the PCAs was to institutionalize bilateral relations under a legal framework, as it was done with Russia in 1997. Through the PCAs, the EU supported these countries in building a free market economy, a healthy climate for business and foreign investments and provided aid in fostering trade relations. Economic cooperation was seen as potentially contributing to the reconstruction and sustainable development, restructuring, privatization, industry, training and investment. Cooperation links with the EU were also pursued in various other sectors, such as agriculture, energy, transport, the environment, tourism and regional development, with the backing of technical assistance from the Union. Additionally, many PCA's include provisions on cooperation in the fields of culture, science and technology, administrative capacity and civil society. Moreover, special attention was paid to support regional cooperation among the new independent States.

This tendency to institutionalize relations with neighbouring countries was pursued in the same way as the conduct of relations with Russia. In the '90s, Russia was a weak country and had to face the economic and political crisis that derived from the shift from communism to capitalism. In this period, Russia tried to promote the creation of regional organizations to maintain its relations with countries of the Former Soviet Union. The most comprehensive framework that it conceived was the Commonwealth of Independent States, but it achieved low results in terms of political weight in the regional and international spheres. Focused on internal problems, under Eltsin – and Kozyrev as Foreign Minister – Russia lost much of its influence in the post-Soviet space and could not develop a strong foreign policy approach toward the region. On the contrary, under the doctrine of “democratic solidarity”, Russia pursued a foreign policy that accommodated Western requests, as it desperately tried to be accepted by the Western community. The Partnership and Cooperation Agreement that it signed in 1994 and that entered into force in 1997 is the proof of this benevolent attitude.

This confusional period saw the interference of external actors in areas that had previously been a part of the Soviet Union and that now constituted an appealing vacuum of influence. The United States, China and in a minor way the European Union increased their economic and financial presence in countries of Eastern Europe and Central Asia, threatening Russian interests in the Near Abroad. Therefore, the '90s saw the retrocession of Russian influence from the Near Abroad, together with a timid response from the European Union, that responded to these countries' – especially Eastern Europe – requests through the instrument of Partnership and Cooperation Agreements. At the same time, EU-Russian relations were rather positive in this decade.

Things started to change at the beginning of the 2000s, because of both internal and external reasons. On the side of the European Union, the early 2000s saw the EU's conferral of membership perspective to countries of Central and Eastern Europe, that was finally reached in 2004. As I pointed out in the first chapter, this led to some changes in the EU's foreign policy. First of all, the enlargement included into the European Union countries that were historically enemy of Russia, that pervaded the EU's internal dynamics with their often Russo-phobic sentiments. Secondly, the enlargement toward the East brought the EU closer to countries of Eastern Europe, and gave it a new geopolitical perspective. It is due to these changes in the EU's internal configuration that the Union gradually developed a more coherent approach toward countries of the shared neighbourhood with Russia. At the same time, in 2000 Putin was elected President of Russia, and he adopted a number of policies to try to solve the crisis of the country. These economic and political changes had an impact also on Russian external projection and on its interests in the Near Abroad.

In the early 2000s the EU, pushed by the influence of future new members, started to develop a number of initiatives to give a coherent outline to its relations with its neighbourhood. It continued the process of formal institutionalization of bilateral relations, as it was outlined in the Wider Europe Commission Communication of 2003. The aim of the Wider Europe project was to give a coherent framework to EU relations with the neighbourhood as a whole, including Russia as well as the Mediterranean countries. The project was released in the same year of the European Security Strategy, that presented the EU's vision of the security environment that surrounds it. As we saw, both documents emphasise the challenges and opportunities of the new EU neighbourhood. On the one hand, the neighbourhood is presented as a threat for the EU, as the countries concerned are pervaded by instability, poverty and regional conflicts. However, both documents present the opportunities that the neighbourhood can offer if the EU manages to conceive a successful approach toward it. In particular, the EU's aim is the establishment of a "ring of friendly neighbours" around it and the promotion of reforms in neighbour countries to ensure peace and stability of the region.

The European Neighbourhood Policy that was launched in 2004 had the same objectives as the previous documents. According to official documents, it was conceived "to prevent the emergence of new dividing lines" in Europe after the 2004 enlargement. The EU wanted to promote close relations with its partners with a view to establish an area of shared stability, prosperity and security. The ENP was devised as a technocratic process equipped with tools designed for long-term engagement with partners who wanted, and were capable of establishing closer ties with the EU. Its two main pillars — the normative power of the EU as well as the desirability of access to its internal market — were deemed to be sufficient motivation for the gradual but sustainable transformation of the neighbourhood. Also, through this policy the EU put an end to the decade-long issue of how to Eastern Europe's requests to be closely integrated into the EU. In this sense, ENP tried to pursue an approach that would give to these countries a sense of "inclusion" in Europe separate from the final objective of full EU membership. This would mean a reversal on the emphasis if compared to the enlargement process, stressing the process of adaptation to EU structures and policies rather than the integration to the EU.

The early and mid-2000s are thus characterized by the EU's attempt to respond to concrete challenges in the new Eastern neighbourhood. In this period the EU did not have a real geopolitical approach toward the neighbourhood, but it just tried to institutionalize its relations with these

countries, as it does with countries all over the world. Russia was invited to participate to EU's sponsored initiative in the neighbourhood, but it refused in order to pursue a specific path of "strategic partnership" with the European Union, based on common interests and a pragmatic relation.

On the other side, in the same period Russia started to pursue a more determined approach toward the Near Abroad, that re-took much of the traditional pragmatism of its foreign policy. When he came to power, Putin set the goal of giving back to Russia its status of a great power with a prominent role in world affairs¹⁵³. His strategy thus aimed at ensuring security, welfare, autonomy and identity and to facilitate the modernization of the country. In the political realm, this strategy includes regional initiatives intended at preserving Russia's leadership in the post-Soviet space and assuring a political environment favourable to Russian interests¹⁵⁴. Like the EU, Moscow's strategy towards the shared neighbourhood is driven by the will to establish a ring of friendly states on its periphery, that is considered as a *sine qua non* condition for domestic and regional security. The years 2000s saw a consistent and continuous economic growth in the country, and a recovery from the political disorder of the '90s. Favoured by the growth of energy prices, Russia managed to overcome internal difficulties due to the disorganized transition to market economy and to the war in Chechnya. It gradually developed its foreign policy doctrine, trying to pursue an independent and multivectorial foreign policy, on the model that Primakov outlined in 1996. In the new foreign policy trend, the Near Abroad was considered essential to enhance Russian great power status. That is why, in the Foreign Policy Concept of 2000, as in those that would follow, CIS countries occupy the first play in Russian priorities. The logic is that, by increasing its influence and good relations with countries of the neighbourhood, Russia would be perceived as a regional, if not global power, responsible to maintain order in an unstable region, triggered by various kinds of conflicts. In this sense go initiatives such as the Collective Security Treaty Organization that is intended to ensure mutual security between countries of the former Soviet space.

From this comparison of Russia-EU strategies in the early 2000s, we can see that the two countries followed a different approach in the shared neighbourhood, mainly due to the difference in their nature. ENP is a formal and institutionalized initiative, while Russian neighbourhood policy is informal, but has more substance. Amanda Paul writes that '*[w]hile Russia sees its Western neighbourhood strategically, the EU has suffered from a lack of strategic vision, rather viewing it as a technical process*¹⁵⁵'. The main difference between the two approaches is that the EU's project is design to create a ring of friends *around* the EU, while Russian-sponsored projects – that would culminate in the Eurasian Union – are designed to involve the countries *within* the Union. Moreover, for Russia, integration with the post-Soviet space also had a geopolitical dimension, that was the recovery from the catastrophe of the '90s and the re-acquisition of great power status, for which an increased influence in the neighbourhood was essential.

Nevertheless, it seems that, despite the geopolitical dimension played an important part in Russian strategy toward the Near Abroad, Russia was initially benevolent toward EU approach in the shared neighbourhood. As I said, not much criticism was voiced against ENP, that Russia saw as a normal way of the EU to institutionalize its relations with neighbouring countries. Also, the EU and Russia started to pursue their own model of cooperation, based on the Four Common Spaces introduced in 2004. Among the various initiatives, the two actors also conceived common strategies to address problems in the shared neighbourhood – despite the Common Space on External Security did not give the expected results. This cooperation lost much of the value-rhetoric of the '90s, and Russia made it clear that partnership with the EU had to process in a pragmatic way, with no reference to shared values or to legal approximation with the EU *acquis*. This stance was at the basis of the first discrepancy between EU and Russian relations. Together with an increased

153 Cfr. Wolczuk (2012).

154 Cfr. Wolczuk (2012).

155 Cfr. Wolczuk (2012).

pragmatism in bilateral relations, from the mid-2000s the deep roots of the future incomprehension between Russia and the EU already started to emerge. Russia started to be concerned with the EU Eastern enlargement, that would bring countries hostile to Russia inside the EU. Above all, however, it feared NATO's enlargement, that was progressing Eastwards. As I said, Russian official documents show the country's perception of the organization as a threat to Russian national security and continuously express criticism toward NATO expansion.

To sum up the comparison of the two approaches in this period, we can say that whereas the EU pursues an institutionalized and technocratic neighbourhood policy, Russia pursues a well-resourced geopolitical neighbourhood policy that touches the core nerves of all the countries of the shared neighbourhood. If the ENP is formalized but without much substance, Russian neighbourhood policy has substance but is much less formal.

5.1.1.2 2008 - 2014

The trend of divergence between EU and Russian foreign policy approaches in the shared neighbourhood increased in the second half of the 2000s. As I said, the year 2008 marked a major turning point in EU and Russian approaches toward the shared neighbourhood and toward each other's. The process of diversification of foreign policy approaches was due to both internal and external factors for the two countries. Since 2006, Russian foreign policy had embarked a process of revisionism, whose guidelines can be found in Putin's speech to Internal Representatives in 2006 and in his speech at the Munich's Conference in the following year. Having acquired a new weight at the economic level, Russia was now ready to play a more assertive role in the international arena. The new Foreign Policy Concept of 2008 was the outcome of this process, as it made explicit the new position of Russia in global affairs. The document, as official speeches and concrete actions made clear that Russia conceived the Near Abroad as an area of "privileged interests" and that it intended to intensify its relations with the region. At the same time, in 2008 the EU was pursuing a process of rethinking of its approach toward the neighbourhood, since ENP's "one-size-fits-all" approach did not reach the expected results. Many proposals were being made by internal actors of the EU as to how reinforce the Eastern flank of the EU neighbourhood policy, but still low consensus was being reached at the inter-governmental level. As we have seen, there were those countries, like Poland, that were supportive of an increased presence of the EU in the Eastern neighbourhood, while older EU countries, such as France and Germany put relations with Russia at the first place.

It was the War in Georgia of August 2008 that constituted an incentive to reinforce these trends in relations with the neighbourhood and that marked a turning point on the two actors' strategies. For the European Union the war was a proof of its unpreparedness to respond to foreign challenges and to have a coherent foreign policy. The EU proved unprepared to act in face of Russia's actions in the shared neighbourhood, and different EU members proved to have different approaches toward Russia. After the war and the EU's not coordinate reaction, some EU countries managed to convince old members that they had to figure out a more promising approach to involve countries of Eastern Europe and the Caucasus into EU activities. The Eastern Partnership initiative was launched in 2009 as a response to these countries' requests for a major integration within the Union, and was conceived as the development of the Eastern flank of ENP. It was defined as *'the EU strategic concept for the six Eastern neighbours'*, that should be viewed as *"a long-term and enhanced EU policy"*. Like the ENP, Eastern Partnership aimed at encouraging these countries' reforms in order to come closer to the EU. The rhetoric of shared values continued to be consisted in EaP documents, and compared to ENP the EU took a more assertive stance in addressing these countries' concerns. In the 2011 revision of ENP, the Union introduced the "more-for-more" principle, meaning that the EU would give more benefits if partner countries complied with reforms and accepted EU norms and values. It also promoted the role of the Association Agenda, a

comprehensive outlook on all the reforms that partner countries should do in their process of association with the EU. In this context, EaP still heavily relied on the transformative power of gradual approximation with Europe while ignoring the geopolitical reality of the region. Moreover, an important effect of EaP was the worsening of relations with Russia, despite they had not been impacted by the war in Georgia in itself. Eastern Partnership hurt Russia's aspirations to be recognized as the EU's primary partner in the region, because it identifies the countries in Eastern Europe and South Caucasus as the EU's closest partners. In addition, it reinforced the EU presence in Russia's traditional sphere of influence, thus challenging its regional power ambitions and affecting the narratives upon which Russia has been building its identity traits. Moreover, through EaP the EU has also been increasing its role as a security actor in the region and has started to play a more prominent role in the protracted conflicts in Transnistria and Georgia, reducing Russia's room for manoeuvre.

From its part, with its intervention in Georgia Russia reinforced its foreign policy stance in the neighbourhood and showed the world that it was ready to apply the principles that had been emerging from the revisionism of foreign policy started some years before. The war in itself was a confirmation of Russian determination to pursue its interests in the Near Abroad even by the use of force. In an interview to Russian newspapers given after the war, President Medvedev outlined the main principles on which Russian foreign policy is based, that also were the drivers of its intervention in Georgia. Particularly relevant is the notion of Russian "sphere of privileged interests", that is formed by countries of the Near Abroad. The protection of these interests would legitimate Russian intervention in situations that put them under threat in the neighbourhood. Moreover, Medvedev clearly stated that a priority for Russian foreign policy, that was also expressed in the various foreign policy doctrines, was the protection of Russian citizens abroad. This concept legitimized Russian intervention in the Near Abroad as far as there were threats to Russian nationals. Despite this change in Russian foreign policy did not specifically impact Russian relations with the EU, it constituted a major change in Russian approach toward the shared neighbourhood, that also worsened relations with the EU. Since then, the confrontation between the two actors started to become increasingly tense. As I said, Russia started to be concerned about EU's approach toward the Eastern neighbourhood under the Eastern Partnership initiative, seeing it in geopolitical terms as an intrusion in its "sphere of privileged interests". Despite the EU assurances that the initiative was not anti-Russian, Russia accused the EU's normative agenda of being as much about power, interests and influence as about values, which impose a choice on the countries of the shared neighbourhood. Moreover, it saw the EU as increasingly dominated by new members, that did not make a secret of their Russophobia¹⁵⁶. At the same time, the European Union, also resenting from the influence of the new members, started to perceive Russia under a more threatening light. Therefore, the geopolitical dimension entered the logic of EU-Russia relations over the shared neighbourhood.

The following years reflected this negative trend of competition for influence over the shared neighbourhood. It is not a case that the Customs Union was launched in 2010, two years after the war in Georgia and once year after the launch of Eastern Partnership. Since then, the institutional and organizational dimension became the battlefield between Russia and the EU to pursue their foreign policy goals in the neighbourhood. Both of them started to push more vigorously for a deeper involvement in the shared neighbourhood and to sponsor their own model of integration. The competition between Russia and the EU was mainly based on incentives that they could give to partner countries. In general, Russia used an approach that is mainly based on hard power instruments. Russia offered its neighbours increased prosperity in exchange for geopolitical alliances through economic integration, differentiated gas prices and access to the Russian labour market. Moscow has also made use of differentiated energy prices, gas and food embargoes to

156 Cfr. Mearscheimer (2014).

project its hard power and explore the vulnerabilities of its neighbours, in order to reinforce its regional influence and increase the economic and political revenues to the Kremlin. To members of the Customs Union, for example, Russia offers a whole range of subsidies, in the form of cheaper gas, loans, or the perspective of keeping the Russian labour market relatively open for migratory flows. By contrast, the EU's external relations are mostly related to the cross-border projection of its own internal regulatory and technical standards, or "external governance". The European Union mainly used the instrument of Association Agenda and Association Agreements to outline the progressive steps that partner countries should make to get closer to the EU. Negative instruments can be a slowing in the association process, or in the extreme cases even economic sanctions – despite the EU is more keen on granting benefits instead of punishments.

5.1.1.3. 2014 - 2016

As I said, the Ukraine crisis was the second turning point in the worsening of EU-Russian relations over the shared neighbourhood. The crisis led to a wave of tensions in EU-Russian relations that were followed by mutual accusations, incomprehensions and a complete worsening of the relationship between the two powers. Moreover, both Russia and the EU, after the crisis, made changes to their approaches toward the neighbourhood and toward each other. The European Union started a process of review of its Neighbourhood Policy to address recent changes both in the Southern and Eastern neighbourhood. As the document on the revision of the ENP says, "*events of recent years have demonstrated the need for a new approach, a re-prioritisation and an introduction of new ways of working.*" In the document, Russia is condemned as an increasingly assertive actor in the East that violated Ukrainian sovereignty, independence and territorial integrity. The review of ENP was made at the same time of the elaboration of the EU Global Strategy, a new and comprehensive strategy for EU foreign policy that should be ready by June 2016. The two documents show the increased assertiveness of the EU as a regional and global actor, ready to respond to regional and global problems and following a real and comprehensive foreign policy strategy. Compared to the previous periods, EU foreign policy after the Ukraine crisis became more assertive and inserted in a comprehensive geopolitical dimension to which the technical approach of ENP and EaP is only instrumental. Under the new vision, it will be practically impossible for Europe to realize its potential as a global actor if it is unable to act as an effective regional player capable of defending its values and strengthening its security architecture in its own neighbourhood.

At the same time, the EU also kept a coherent and determined stance toward Russia. Certainly, compared to its reaction to the crisis in Georgia, in Ukraine the EU has demonstrated to be more united in condemning Russian actions in Crimea and Donbass. Despite the heavy economic losses of some member states, the EU as a whole remained compact on its decision to impose sanctions until problems with Russia are solved. As we said, also countries such as Germany, France and Italy have agreed on the common EU position, even if they are those who lose the most from the current sanction regime between the two areas. This reflects a widespread Western vision of Russia as trying to re-build an empire around it. This sort of response presents straightforward proof about the divergence between Moscow and Brussels as rival poles in the neighbourhood. The EU thus seems to have consolidated its role as a global power, capable of conducting an assertive foreign policy in the neighbourhood.

On the other side, since the Ukraine crisis also Russian stance in the shared neighbourhood and toward the EU changed. The Ukraine crisis convinced Russia to speed up the process of regional integration in the form of the Customs Union, and the Eurasian Union was finally launched in 2015. The new Union was the most successful integration initiative that Russia conducted in the Near Abroad, despite it lacked the membership of Ukraine. Russian aim is currently to increase its relations with EEU countries and to promote the Eurasian Union as an alternative to the EU. Regarding its relations with the European Union, economic sanctions and the conflict over Ukraine

increased Russian sense of disillusionment over the possibility of a sincere and cooperative relation with the EU, based on principles of equality and pragmatic interests. On the contrary, Russia started to perceive the EU as an increasingly threatening presence in the Near Abroad. As we saw, the foreign policy documents that were released after the Ukraine crisis express deep concerns over the new situation in Europe. The loss of Ukraine from the Russian orbit was seen as a critical loss for Russian integration project in the Near Abroad, and EU, US and NATO's projects in the region are considered a threat to Russian interests. That is why, since the Ukraine crisis, Russia has started to re-orient its foreign policy toward the East, with the so called "pivot to East" project. In the contemporary asset of bilateral relations, it seems difficult to find grounds of convergence between EU and Russian strategies in the shared neighbourhood.

5.1.2 Compatibility of Strategies

As we have seen in the previous paragraph, EU and Russian strategies in the shared neighbourhood gradually diverged from the '90s to our days, and became increasingly competitive. Particularly since the war in Georgia, and above all the Ukraine crisis, their mutual relations worsened and both of them started to pursue a more assertive strategy over the shared neighbourhood. Since the aim of this thesis is to understand what are the main causes of tensions between the EU and Russia in the shared neighbourhood, and whether there is a ground for a common understanding and cooperation between them, in this paragraph I will discuss about the level of compatibility between EU-Russian strategies in the shared neighbourhood. I will do this using the outcomes of the previous chapters on EU and Russian strategies in the neighbourhood, as well as the results of the comparison between the two approaches of the previous paragraph. To make the discussion easier to follow, I decided to focus this exercise on three levels of EU and Russian foreign policy: goals, instruments and strategy. I will analyse these elements under the same chronological approach that I followed in the whole work, by presenting the evolution of these three dimensions.

5.1.2.1 Goals

From the previous chapters we have a clear picture of what are the respective goals of the EU and Russia in the shared neighbourhood and how they evolved over time. Despite nothing in the strategies of the two powers seemed to point to a rivalry with the other, the increasing competition over the shared neighbourhood showed the incompatibility of the goals that both of them pursue in the region. It is undeniable that the area of Eastern Europe and the Caucasus has a particular geopolitical and economic importance for both the EU and Russia. Countries of Eastern Europe, like Ukraine, Moldova and Belarus have long-been contested between Russia and European powers, and their position at the borderland between the EU and Russia gives them a special status and attention from both their major neighbours. In particular, these countries are the main route for the transit of gas that goes from Russia to the EU – a considerable important issue in bilateral relations. The majority of gas transit from Russia to the EU necessarily passes through Ukraine or Belarus. Despite recent projects to bypass countries of Central Europe – such as the North and South Stream, Turkish Stream, Nabucco and Blue Stream – they remain the main corridor for gas transit from Russia to Europe. The Caucasus also occupies a strategic position for the transit of gas that goes from Central Asia to Europe passing through Turkey. At the ethnic level, the majority of the population of these countries is Slavic, with consistent minorities of Russians, Polish and Hungarian people, that make the ethnic situation similar of a mosaic of different ethnical and cultural influences. The ethnic dimension risks to become an open confrontation within these countries, that could attract the interests of foreign actors. Frozen conflicts in the region are due to ethnic and political rivalries between the various countries. For instance, the conflict in Moldova derives from

the refusal of the break-away region of Transnistria – where a majority of ethnic Russians live - to recognize the official government. The situation in Ukraine is quite similar: while the West of the country is inhabited by ethnic Ukrainians and some minorities of Polish and Hungarians, while the Eastern part sees a majority of ethnic Russian population. A similar situation is visible in the Caucasus, where the situation in Nagorno-Karabakh exploded again in 2016, threatening the delicate situation in the region. These divisions within the regions contribute to increase instability and threaten regional peace and security.

The need to ensure stability in the shared neighbourhood is thus a shared goal of the EU and Russia, since the spill over of regional instability would negatively impact both of them, in particular their energy relations. That is why EU and Russian documents make of stability of the neighbourhood one of their foreign policy priorities. As we saw, EU Security Strategy and Wider Neighbourhood initiative, that were the precursors of all the initiatives that followed for the Eastern neighbourhood, emphasized the challenges that the new neighbourhood could bring to the EU, such as poverty, illegal migration, organized crime, regional conflicts and so on. The aim of the EU policies that were adopted under the framework of ENP and EaP was the creation of a “ring of friends”, meaning a friendly and democratic neighbourhood that did not represent a threat for the EU itself. Since the 2003 ESS, the Union identifies its security with that of its neighbours, and from here derive its increasingly assertive efforts for the democratization of these countries. In the same way, Russia is also concerned with the issue of stability of the neighbourhood, since it has a huge territory with unstable borders, and it has unstable and conflict areas on its borders. Russian Foreign Policy Concepts, starting from the one of 2000, identify the formation of a “good-neighbour belt” around Russia as a foreign policy priority, in order to promote elimination of the existing and prevent the emergence of potential hotbeds of tension and conflicts in regions adjacent to Russia. To understand this aspect of Russian foreign policy, we must look at its particular geographical characteristics and to what George Kennan in his famous 1946 “Long Telegram” referred to as a “*traditional and instinctive Russian sense of insecurity*.”¹⁵⁷ In an interesting study, Dimitri Trenin examines the importance of the spatial dimension for Russian history and of territory and territorial acquisitions. He shows that borders have always moved in Russian history, and there has always been an uneasy relation between the state authority and the vast, ungovernable space became, which became the key contradiction of Russian history and politics¹⁵⁸. Russia is thus a borderland nation in uncertain external environment, that throughout history faced similar changes in security, mostly due to external invasions and a difficult state integrity. Regional conflicts that occurred after the fall of the Soviet Union represent a threat for Russian security, and Russian goal is to present itself as the security provider of neighbouring countries.

The shared sense of insecurity deriving from an unstable neighbourhood could represent a major point of contact between EU and Russian approaches toward the shared neighbourhood, as theoretically they would both profit from the creation of a stable area of peace and regional cooperation. Cross border illegal migration, transnational crime and international terrorism are problems that can and should be addressed conjunctively by the two powers in conjunction with the shared neighbourhood. In practice, however, things went different. The EU and Russia were never able to reach a consensus on how to act in a cooperative way in the region. This was the goal of the Common Space of External Security, that was established in 2003 as a part of EU-Russian strategic partnership. The initiative did not reach the expected results and was rather ineffective in reaching the desired aims. In particular, it completely failed in addressing issues like frozen conflicts and in establishing cooperation in those areas that could enhance bilateral relations.

This failure is due to the incompatibility of the other goals that the two actors have been pursuing in the shared neighbourhood. An important dimension of this incompatibility lies in the different political, economic and cultural ties that the EU and Russia established over the last

157 The full text is available at the following link: <http://www.historyguide.org/europe/kennan.html>

158 Cfr. Trenin (2009).

centuries with countries of the shared neighbourhood. For Russia, the Near Abroad was once an integral part of the Soviet Union, and the Soviet heritage still plays an important role in shaping Russian relations with these countries. These countries shared the same history for more than 70 years, and some of them – such as Ukraine and Belarus – also have strong ethnic ties with Russia, since they are part of the same “Slavic world”. Russia is also linked to these countries for what concerns the structure of its economy. As in the Soviet era the production chains were divided along the fifteen Republics, Russia still needs to reorganize the economic activities and reach economic independence from the Near Abroad. Russian interests in the Near Abroad currently lie in three main dimensions: at the political level, Russia has an interest in shaping regional politics, especially as relations between post-Soviet countries remain unstable; at the economic level, Russia's interest in expanding its share of energy ties, trade, and investments also serve to keep post-Soviet states as an important element in Russia's economy, and thus foreign policy interests and for what concerns the security dimension, frozen conflicts, terrorism, role of domestic transformations, the influence of other states on the region are seen as a potential destabilizing factor for Russia. On the contrary, Europe has not such strong ties with these countries, especially with the Caucasus. As I said, the area of Eastern Europe acquired importance after the big enlargement of 2004, when the three non-EU countries became direct neighbours of the EU and when newly-EU countries like Poland started to lobby the Union to establish a comprehensive framework to deal with the new neighbours. EU interests in the area, a part of single EU Members' cultural ties with Eastern Europe – for example Poland or Hungary – are mainly based on the importance of the area for energy security, as a transit of oil and gas resources from Asia to Europe. These different ties deeply influence EU and Russian approaches toward the neighbourhood, and make their goals incompatible and conflicting.

The main reason of this incompatibility lies in the geopolitical dimension that the EU and Russian projects in the shared neighbourhood have acquired. For both actors, the shared neighbourhood has become a battlefield to increase their regional influence and affirm their status in international affairs. As I said in the first chapter, the European Union believes that the promotion of democracy and good governance abroad are at the basis of a peaceful and friendly neighbourhood, where the EU can pursue the expansion of its normative project. This value dimension has been at the basis of the EU's initiatives of the early 2000s, such as the ENP, but it has recently acquired a tougher geopolitical stance. Already the Eastern Partnership was designed to bring neighbour countries closer to the EU in response to the challenges brought about since Russian invasion of Georgia in 2008. Now, the EU is currently working on the elaboration of a Global Strategy to give a new impetus to its foreign and security policy, in which the neighbourhood plays an important dimension. As I said, many experts pointed out that, if the EU is not able to play a consistent role in the neighbourhood, it will never be a global power with political weight. The neighbourhood is thus instrumental to enhance EU's status in international affairs and to show the renewed unity of the Union in foreign policy issues. The same reasoning is shared by Russia. For Russia, we saw that having influence on the Near Abroad corresponds to pursue one of its major foreign policy goals, that is to enhance its great power status in the international arena. Russia believes that it can be a regional and global power only if it manages to exercise its power in its neighbourhood and to reconstitute the ties that it had during the Soviet period. Otherwise, like the EU, it would be confined to the level of a minor power. As we saw in the new National Security Strategy, Russian national priority is *"consolidating Russian Federation's status as one of the leading world powers, whose actions are aimed at ensuring strategic stability and mutually beneficial partnerships in the context of a multi-polar world"*¹⁵⁹. The neighbourhood plays a major role in strengthening and enhancing Russian international status. A compact and friendly neighbourhood would in fact present Russia as more than a regional power.

159 Cfr. Trenin (2009).

This goal of enhancement of their regional position and international status, that the EU and Russia pursue at the same time, in geopolitical terms is the equivalent of attempts from both sides of establishing a sphere of influence in the shared neighbourhood. The geopolitical competition between the two actors gradually developed over time, and was driven by the power politics that the EU and Russia started to consolidate since the early 2000s. As I said, it was in that period that the EU started to shape its approach toward the Eastern neighbourhood, while Russian economy started to recover together with its role in the international arena. If initially the EU neighbourhood policies were perceived by Moscow as the natural institutionalization of EU's relations with its neighbours, they were increasingly seen as a source of challenges and rivalry in the post-Soviet space. As time passed and both the EU and Russia became important actors in the neighbourhood, Russia began to see the EU's initiatives in the region as constraining its leverage in its traditional area of geopolitical and economic interests. Also, it perceived the EU concept of 'shared neighbourhood' as a threat to what used to be Russia's traditional sphere of influence. According to Sakwa (2015) EaP had a profound geopolitical logic from the beginning and it was seen by Russia as a way of forcing the countries to choose between two integration models. Compared to previous EU projects in the region, EaP represented a qualitatively different level of interaction that precluded closer integration in the Eurasian project and had a security dynamic that rendered EU a threat in Russian perception as it paved the way to NATO's enlargement. In this context, the EU is no more seen by everyone as a status quo power but as an increasingly revisionist actor that challenges Russian policy towards its neighbours. EU's policy towards Eastern Europe seems to be based on three key assumptions: that the EU is the only pole of power in a concentric Europe, that its neighbours are keen to adopt its values and standards and that this process is long-term and irreversible, the EU's job being solely to regulate the pace of osmosis. The EU wants to shape the neighbourhood according to its own norms and rules, in order to spread democracy, human rights and rule of law as a part of its normative mission. The expansion of 'normative power' by Europe beyond its borders, towards its enlarged neighbourhood, through the ENP or the EaP, for example, carrying the EU democratic values and norms, was not welcomed in Russia, which understands this as interference in an area it considers of primary interest¹⁶⁰. The progressive alignment of these countries' legislation with that of the EU would mean going away from Moscow's orbit, a geopolitical challenge that Russia cannot accept. Therefore, the evolution of EaP raised suspicions about the motivations of the EU in the Eastern neighbourhood, and the nature of its role in securing the post-Soviet space, to the extent that Russia's foreign policy elite, and indeed the Russian Minister of Foreign Affairs, Sergey Lavrov, have perceived the EaP as an attempt by the EU to 'securitise' and absorb the eastern neighbourhood into its own 'sphere of influence', and exclude Russia. As the various Foreign Policy Concepts say, and as Medvedev pointed out in 2008, Russia claims that it has a "privileged position" in the shared neighbourhood. Moreover, the documents also point to the need to protect Russian communities living in the Near Abroad, that is another relevant foreign policy priority for Russia. To remark these concerns, Russian Foreign Minister Lavrov accused the EU of trying to carve out a new sphere of influence in Russia's own backyard and creating new dividing lines in Europe and in 2009 Medvedev expressed its concerns that the initiative could 'to turn into a partnership against Russia'. From its side, the EU, in particular since the gas crises in Ukraine and the war in Georgia, started to perceive Moscow as a hostile power that still relies on the Cold War notion of spheres of influence, particularly whenever it tries to block the EU's neighbouring policies and initiatives in the shared neighbourhood¹⁶¹. Furthermore, it continued pursuing its approach directed at the association of Eastern neighbours with the Union.

In this sense, the EU and Russia pursue an incompatible foreign policy goal in the neighbourhood, and their approaches are mutually exclusive. In particular, Russia-EU relations thus took a more competitive, zero-sum turn after the war in Georgia, and were further worsened by the

160 Cfr. Freire (2014).

161 Cfr. Trenin (2009).

Ukraine crisis. Both Russia and the EU want to extend their power over the region, imposing their vision of the world through a number of policies, initiatives and strategies, in order to establish the rules of the game and persuade the countries in the shared neighbourhood to accept asymmetrical relationships in which they are supposed to contribute to the security projects of these two regional actors. To gain predominance over the shared neighbourhood, European and Russian elites started to promote the legitimacy of their norms, political principles and regional approaches in an increasingly competitive dynamic (Trenin, 2009). Under these circumstances, it seems difficult that the two strategies could be compatible in the long term, since acquiring influence in the region presupposes the limitation as much as possible of the presence of other parties.

Moreover, the incompatibility of goals between the two powers is also evident in the security sphere. On the one hand, we have the European Union that sees its security intrinsically linked with the Euro-Atlantic security and thus the United States. The US, since the Cold War, has been the main security provider of the European continent, and the void left by the relative weakness of the EU in the military field is supplied with the US military umbrella in the continent. The European Security Strategy itself recognizes the role of NATO as a guarantee to EU's security. The Euro-Atlantic Alliance remains strong despite the Ukraine crisis showed the EU's reluctance to follow each policy-action proposed by the US - as in the case of the US proposal to supply weapons to Ukraine. On the contrary, Russia sees negatively the US and NATO presence in the European continent. From Russian point of view, the relationship with the EU cannot be divorced from the overall security relationship with the West (Flenley, 2005). What scares Russia the most is the possibility that the EU guarantees the membership perspective to EaP countries, since for Russia EU expansion goes together with NATO enlargement, that Russia sees as a direct threat against itself. As the first Secretary General Lord Ismay said in 1949, NATO is a mechanism "to keep the Russians out". According to this perception, Russia sees the process of Euro-Atlantic security building as a strategy of encirclement against it. In particular, NATO expansion to Ukraine and Georgia is regarded with resentment in Moscow and undermines attempts to bring Russia into a regional cooperation in the area. Recent disagreements over arms control in Europe and plans to site US military installations in Poland and the Czech Republic further contributed to undermine trust in the EU–Russia relationship (Lavrov, 2007).

Moreover, divergent visions also regard the role of the US within the European Union. The EU is seen by Russia as being used in a new power game with the USA¹⁶². In strategic terms, this is the struggle between the idea of Europe as a continent in control of its own destiny and that of Europe as a part of a larger Euro-Atlantic community. While Russian goal in the security sphere is the promotion of continentalism for the EU, the Union is still much connected with the security umbrella provided by the US, in particular after the 2004 enlargement. Some Russian experts criticize the allegedly puppet master role of the United States in the implementation of the ENP and the EaP. According to Panarin, "the process is being governed by the United States" (Panarin: 2010). In that respect, the consequences of Colour Revolutions were regarded by the Russian elite as the result of the United States' and the EU's foreign policies, while the dynamic manner of implementing the EaP had only contributed to the perception of it as threatening the stability of the political regime.

Divergent goals in the security sphere are thus another important aspect of the incompatibility between EU and Russian goals in the shared neighbourhood.

162 Cfr. Flenley (2008).

5.1.2.2 Instruments

The second level of comparison that I set out at the beginning of this chapter concerns the instruments that the two powers use to reach their goals in the shared neighbourhood. Before talking about the instruments themselves, a premise is necessary on the nature of the two actors. As we know, the EU is a regional organization with a multilevel system of decision-making where national and collective interests are not always easy to reconcile, while Russia is a traditional power with well-defined and focused foreign and regional interests, which are perceived to be vital for the country's internal cohesion and international projection¹⁶³. This difference is reflected in the different *modus operandi* of Brussels and Moscow and in their approaches toward the shared neighbourhood. In general, while the EU is a normative actor that tends to use soft-power means in its foreign relations, Russia is a realist power that can mobilize traditional state power means. Moreover, the two powers follow a different model of state and different values both in internal and international policies, which in turn support different behavioural patterns and expectations. The EU is clearly identified as a liberal democratic model, that professes the values of democracy, human rights and market economy. Russia and the Eurasian Union have been defined as a social democratic model, which could potentially approximate the EU especially along the values of market economy, stability, economic prosperity, and security, and at the same time retain its cultural uniqueness¹⁶⁴. Moreover, a major difference is related to the two actors' self-identification and their relations with the outside world. Russia has a more cohesive sense of history and identity, though oscillating between civic and ethnic notions. Foreign policy is often legitimized with reference to a coherent notion of national interest and destiny. What is more, there is a clear sense of belonging to a larger community, be it the former Soviet Union, the Russian sphere, or the lands inhabited by Eastern Slavs. In contrast, in the EU the overall legitimacy remains thin and is often questioned by voters across member-states and influential political actors from various quarters of the ideological spectrum. The identity deficit undermines the capacity to articulate common strategic interests and thus reinforces the technocratic bias in external policies. These elements influence the way in which the EU and Russia relate with the shared neighbourhood and the instruments on which their foreign policy is based.

Freire claims that the difference in the way the two actors relate with countries in the neighbourhood is also rooted in a divergent approach to borders and governance. Being a nexus of sectoral regimes and rules, the EU has boundaries that are rather fluid and allow for differentiated expansion, as the concepts of "concentric circles" and the Wider Europe conception show. To deal with the complex network of relations that it has with different states around it, the EU has developed a highly flexible and intricate framework of governance allowing for various degrees of inclusion and association of "third countries" in its proximity. Therefore, the EU operates on the basis of consensus and often finds itself constrained by a multiplicity of veto actors, and tends to produce lowest-common-denominator decisions. Moreover, the approaches of the two actors diverge for what concern the time framework of their political action. Russia, on the other hand, has legally defined borders and it is governed from a single centre, especially since direct local elections were abolished in 2004. Concentration of power, particularly in the field of foreign policy, means a superior capacity to take and carry out decisions and is reflected in Russia's superior capacity to mobilize resources and take quick foreign policy choices in response to regional events. Moreover, Freire claims that, while Russia can mobilize power resources to attain short-term goals, the EU's external policies tend to be based on a long term vision and to pursue structural changes at the level of institutions, norms, and socio-political practices. The EU is thus less flexible since it is legally

163 Cfr. Freire (2011).

164 *Idem*

constrained in ways that Russia is not, for example, in disbursing funds to partner countries or granting concessions in areas such as visa-free travel.

All these differences in the nature of the two actors influence their foreign policy and their approaches toward the neighbourhood and toward each other. Since our goal is to assess the level of compatibility between EU and Russian foreign policy instruments, I will focus on the foreign policy aspects that are relevant to this aim. As in the case of goals of the two actors, I would say that the instruments that they use also set out a dynamic of competition between two alternative models. For instance, a partner country can either accept Russian lower energy prices and grants, or EU's assistance and aid. All the instruments that the EU and Russia use in pursuing their foreign policy in the shared neighbourhood are either carrots or sticks used as incentives or punishments to keep the neighbourhood closer. The battle between the EU and Russia is thus at the level of benefits that the two countries can give to partners if they agree to be a part of their own controlled area. For example, in the case of Ukraine, the country had to choose between the EU-sponsored Association Agreement, that gave it the prospective for free trade with the EU and Russian-sponsored discount on energy prices and a loan of 15 billion USD at favourable conditions.

As we saw in the first and second chapter, the EU's engagement with its neighbours is based on the promotion of its own values abroad, under the assumption that the EU is a normative power and has to spread its positive economic and political model. The "more-for-more" principle is based on the EU's will to promote reforms in these countries in exchange for incentives such as free trade and visa liberalization. These initiatives involve the amelioration of partners' legislation and assistance in improving countries capacities in technical sectors. These reforms are set out in the Association Agenda and in the Association Agreement that follows. However, these activities seemed to have a low political implication for partner countries, that are often led by corrupted elites and have obscure political systems. As we saw, in the lack of the membership perspective the EU has lagged behind the provision of incentives to promote heavy and costly reforms in partner countries. The same reforms had been asked to countries of Central and Eastern Europe, but they were also granted the "golden carrot" of the membership perspective. On the contrary, for the moment Eastern partners have been kept out from this perspective, and the EU has to find other incentives to encourage them to reform their internal systems. The real incentives that the EU can offer to partner countries regard economic assistance in the form of aid, grants, investments, promotion of partner countries' economic activity. Moreover, as we saw in the case of the multilateral dimension of Eastern Partnership, the dialogue on visa liberalization also constitutes a major incentive for partners' integration with the EU.

On the contrary, Russia uses a wide range of means, both civilian – political and diplomatic – and military to conduct its foreign policy in the neighbourhood. These means comprise both "realpolitik" instruments and soft power ones¹⁶⁵. Contrarily to the EU, Russia has the ability to quickly mobilize resources in favour of neighbours, mainly in the field of economic assistance or provision of security guarantees. For many years, Russia provided its neighbours with natural gas and, in the case of Belarus, crude oil, at lower prices than those paid by customers in the EU. Preferential sales were seen as supporting the economies of these countries during difficult times, to keep good neighbour relations with them and to maintain the strong economic ties of the Soviet period. Discounted gas prices were often used by Russia to sponsor political choices in neighbour countries that would favour friendly relations with Russia. Armenia, for example, was granted a gas discount in 2013 after Yerevan agreed to join the Eurasian Union, and a further 13% reduction in April 2015, after Armenia actually joined. Belarus, a major CIS consumer of Russian oil, which it receives at low prices, refines and sells it on to European markets with high profit margins for Belarusian and Russian companies. Belarus also adds an export duty, generating an additional windfall for the state. In October 2014, Belarus signed an agreement with Russia that all export

165 Cfr. Freire (2011).

duties generated on the 23 million tons of oil earmarked for Belarus in 2015 would enter into the Belarus state budget. Informed estimates of Russian subsidies to Belarus are placed at around 15% of Belarusian GDP. In an interview in January 2015, Russian Deputy Minister of Finance Sergei Shatalov commented that the creation of the EEU and the removal of tariffs was costing Russia around 30 billion USD a year in subsidies to partners, and there is no doubt that Russian money is key for EEU success. This is also the case of Ukraine, to which Russia offered a loan of 15 billion dollars at the end of 2013 if the country did not sign the Association Agreement with the EU. In addition, as the events in Georgia and Ukraine demonstrated, it is able to use military force to defend its interests in the neighbourhood. As the Kremlin's recent rhetoric stresses, Russia is a nuclear power, and the first strike capacity recently entered official foreign policy and military documents.

A part from economic and other kinds of incentives that the EU and Russia try to grant to neighbour countries, an important battle also takes place at the level of image of the two countries, meaning the soft power that they can exercise on partner countries. Both the EU and Russia are willing to be perceived as positive economic and political models for the neighbourhood. The competing discursive practices are reflected in the way the two powers behave with regard to their neighbourhood. They emerge as structures of action and signification whereby the EU and Russia try to reaffirm their own – moral and political – superiority and prove the other as an unreliable partner. In this way they project the other as a threat and use that constructed image to attract the countries in the shared neighbourhood into their sphere of influence and persuade them to accept their exercise of power, as well as the terms of an asymmetrical relationship, in exchange for protection from this threatening 'other'.

Since the Ukraine crisis, the European discourse has begun to acquire the sense of east-west civilizational divide and antagonistic geopolitical interests. It now emphasizes Russian violation of human rights, poor civil society and democratization, reinforcing the perception that they are two different political cultures. In the neighbourhood, the EU sponsors its role of promoter of democracy and market economy, stressing principles and values such as liberal democracy, human rights, and the rule of law. Technical rules dealing with market governance and the supranational management of functional interdependence constitute the operational, day-to-day manifestation of an overall political model advancing those principles. Externally, the model propagates the peaceful resolution of conflicts through open borders, economic interdependence, and the pooling of sovereignty. It is at the heart of a sort of civilizing mission undertaken by the EU in relations with proximate neighbours and the wider world and shapes the institutional discourse in Brussels as well as the academic reflection on integration. The EU thought that only by supporting democracy, well-governed countries and market economy, could these countries constitute a "ring of friendly neighbours". Therefore, the provisions of PCA and ENP were all based on the rhetoric of "shared values" and on requirements for these countries to approximate their legislation with that of the EU. This is in line with the EU notion of "normative power", that bases its relations with foreign countries on the principle of conditionality. Despite it tried to export these values also to Russia, since the 2000s the EU understood that Russia would follow its own political model and the two powers started to base their bilateral relations on a pragmatic approach. As I said, in the current political situation, the EU continues to sponsor its model as the only possible in the neighbourhood, since it conduces to common goods. On the contrary, Russia is depicted as a regional hegemon, trying to re-build an empire in the former Soviet space.

From its part, Russia also sponsors its own value rhetoric in countries of the shared neighbourhood. Its model of 'sovereign democracy' has been presented as an alternative to the liberal model enforced by the EU¹⁶⁶. The 'Russian model' has its supporters in countries like Belarus, Azerbaijan and Armenia, that all replicate to varying degrees the Russian discourse on

166 Cfr. Christou (2010).

‘sovereign democracy’ – albeit under local brand names, such as ‘responsible democracy’ in Azerbaijan. The concept fulfils certain core needs: it helps legitimate the idea of a ‘national path’ towards democracy and disguises local authoritarian features; it establishes a link between domestic and foreign policy – countries have to be strong at home to be strong abroad and it is available for export. Moreover, contrarily, to the EU, Russia, or rather its leadership, can frame its actions in the “near abroad” in emotive terms underlying culture, historical memory, and national destiny, reaching the most sensitive souls of the Near Abroad¹⁶⁷. As we saw in the third chapter, the Foreign Policy Concept of 2013 introduced the concept of soft-power as a means to conduct Russian foreign policy. In this sense, Russia intends to make use of the language, culture, tradition and historical heritage that it shares with post-Soviet countries to enhance cultural and political ties with them.

From this analysis of the means used by the two powers, what emerges is that their approaches are completely incompatible. A country of the shared neighbourhood can either benefit from EU’s grants and aid for reforms or from Russian discounted gas prices. Ukraine, that since the ‘90s tried to receive benefits from both its neighbours, has showed that this bivalent foreign policy can not be pursued as a long term strategy. The other countries of Eastern Partnership have been forced to choose, in a way or another, which benefits were the most beneficial for the country. Only Azerbaijan, that can rely on its huge oil revenues, could afford to take distances from both the offers and to conduct an independent foreign policy. Moreover, competition at the level of soft power also showed that EU and Russian approaches and visions of the shared neighbourhood are highly polarised and present a low chance of reconciliation in the short term.

An interesting application of this study on the compatibility between the EU and Russian instruments in the shared neighbourhood regards the case of frozen conflicts. Until the Georgian war, the EU was mainly involved in conflict settlement efforts in Transnistria. In 2003, the EU started to take a more proactive stance in the conflict, introducing a travel ban against Transnistrian leaders, appointing a EU Special Representative on Moldova, joining the 5+2 negotiating format and launching a hundred-strong EU Border Assistance Mission (EUBAM) to Moldova and Ukraine in order to curb the smuggling networks that helped sustain Transnistria. However, the EU shied away from seeking to replace the dysfunctional Russian-dominated peacekeeping force or pushing Russia to respect its commitments on troop withdrawal. The list of measures that the EU has refused to take in South Ossetia and Abkhazia is even longer than in Transnistria. Since the Rose Revolution in 2003, Georgia has been a persistent demander for greater EU involvement in conflict resolution, but the EU has been reluctant to get involved, to avoid tensions with Russia. It has appointed a Special Representative, launched an EU Rule of Law Mission, and a Border Support Team. In 2006 the European Commission became the biggest international donor supporting post conflict rehabilitation in Abkhazia and South Ossetia (excluding Russia’s non-transparent financial and military support for the secessionist governments), with a total of €33 million in 1997–2005. When the Directorate General for External Relations worked on a non-paper on an ‘Increased EU role in conflict resolution and prevention’ in the neighbourhood (which contained no revolutionary ideas), the paper was not even published or taken further for fear of irritating Russia.

Even more surprising has been the EU’s reluctance to act on Nagorno–Karabakh. The EU has not disbursed any funds to help with reconstruction (unlike South Ossetia and Abkhazia), partly because France, which is a co-chair of the OSCE Minsk Group and a mediator in the conflict settlement process, preferred to keep EU institutions out of the settlement process. Despite the EU’s expressed readiness to send peacekeepers if Azerbaijan and Armenia agreed on a solution to the conflict, there is little the EU wants or can do to bring that solution closer. The confused and haphazard approach with which the EU reacted to the crisis in Georgia has damaged its image as a power which can make any tangible difference on the ground. The EU is remembered in Azerbaijan for its toothless statements and poorly negotiated and poorly enforced agreement with Russia on the

167 Cfr. Elsuwege (2014).

withdrawal of Russian forces from Georgia. Therefore, partner countries feel that there is a huge gap between the EU's ambition, voiced most prominently by the 2003 European Security Strategy, to deliver security and stability to its neighbours and its actual performance. Again, Ukraine is a case in point. The EU's contribution boils down to a civilian EU Advisory Mission (EUAM) tasked with assisting security sector reform. This operation, involving fewer than 60 experts, focuses by and large on modernizing Ukraine's police. However, Kyiv's demands have been much more ambitious. At the EU– Ukraine Summit in April 2015, the EU turned down President Petro Poroshenko's request for a full-fledged peacekeeping mission to be deployed in the eastern provinces to monitor the implementation of Minsk 2. The unwillingness and inability of the EU to deploy military power is not exceptional to the Ukraine crisis but has structural roots.

Contrarily to the EU, Russia has played and continues to play a key – even if often controversial - role in frozen conflicts. Moscow has deployments across the Eastern neighbourhood, including “peacekeepers” in Transnistria and military bases in Armenia, South Ossetia, and Abkhazia. For instance, it takes part in peace-keeping operations such as the Joint Control Commission in South Ossetia, the ‘five-sided format’ in Transnistria and in Abkhazia a Russian-led operation under the Commonwealth of Independent States and UN Observer Mission to Georgia. On conflict resolution, for example, Russia has tried to lock the EU out of the negotiations on Transnistria by creating a 2+1 format (Moldova and Transnistria + Russia) instead of 5+2. Russia would like to see EUBAM out of the region as soon as possible, and has encouraged Transnistria to request an increase in the Russia military presence from 1300 to 3000. The issue of frozen conflicts is thus an example of how the EU and Russia use different foreign policy instruments to address problems in the neighbourhood, and how these instruments are often irreconcilable and opposed to each other.

5.1.2.5 Strategy

The last and more comprehensive level of comparison between Russia-EU approaches toward the shared neighbourhood regards their strategies in the region. As I pointed out the goals and the instruments that the EU and Russia follow in the shared neighbourhood, as well as the evolution of their foreign policies in the last decades, here I will present a comprehensive view of all these factors. In particular, I will focus on the compatibility between the notions of Wider Europe and Greater Europe, that are the theoretical form of how the EU and Russia would like to be the shape of the European and Eurasian political conformation. As I said, these notions represent the ideal economic and political configuration that the shared neighbourhood should have according to the EU and Russia.

As Richard Sakwa wrote in his book, these two conceptions derive from different models of conceiving the European continent that were developed by the EU and Russia after the end of the Cold War (Sakwa: 2015). Sakwa makes the distinction between “countries of 1989, 1990 and 1991”. The first group is composed by those that successfully completed the process of rapprochement with the EU, acquiring the EU membership in 2004 or 2007, while “1991 countries” are those who were never interested in coming into the EU orbit. Among them, notably Russia. Then, there is the third category of “countries of 1990”, that is composed by countries of Eastern Europe and the Southern Caucasus. They are defined as “in-between lands”, countries that have not undertaken their definitive model of integration, neither with the EU or without it. These countries sought to overcome the geopolitical and governance limitations of 1991 while engaging at the same time with the EU and other partners to improve their economic performance. They are described as “overlapping neighbourhoods”, torn internally and caught between two opposing blocs externally. It is upon this situation that the European Union built its project of Eastward expansion. As we saw in the first chapter, the EU's strategy over the Eastern neighbourhood can be explained through the idea of Wider Europe. Initially, this conception was proposed under Delors' idea of “concentric

circles”, that was based on the creation of circles of friendly countries around the nucleus of the EU, that should be increasingly integrated with the EU as they were geographically closer to it. In this optic, countries “of ‘89” would be closer to the EU at the economic and political level, while EU relations with countries “of ‘90” would be looser. This conception was then gradually transformed over the years, in particular when the EU opted for the enlargement to countries of ‘89. Since then, its conception of a ring of friendly neighbours remained, and was reflected in the initiatives of Wider Europe, Neighbourhood Policy and Eastern Partnership. Brussels has held out the vision of a new European Economic Area, where, through the export of the *acquis communautaire*, the EU sits at the centre of Wider Europe that share everything (markets, infrastructure, regulations and *acquis*) but institutions, based on the model of Norway’s or Switzerland’s relationship with the EU. Russia was also invited to take part in this EU-centred project, that would lead to the democratization of the country as well as the introduction of economic and administrative reforms based on the EU model.

On the contrary, Russia decided to defer the offer and to pursue a parallel foreign policy in the shared neighbourhood. As we have seen, Russian goal of increasing its role in the international arena can be achieved only if the country has a strong position in the region. Becoming part of the EU project would mean losing independence in foreign policy and renouncing to an autonomous power in the region. That is why Russia started to pursue its own integration model in the region, driven by the will of making of Russia a great power and a centre of integration on its own. To the EU concept of Wider Europe, Russia proposed a complementary vision of the “Great Europe”. As we saw in the third chapter, this was initially conceived as a way of bringing together all corners of the continent to create what Gorbachev called the “Common European Home”. Contrarily to the EU vision, this concept would see no need to choose between the EU and Russia, since the whole continent would cooperate in a mutually beneficial way at the economic and political level¹⁶⁸. However, this concept has recently developed in the promotion of a two-step project, that would see as the first step the strengthening of a Russian-sponsored economic and political integration in Eurasia, that would proceed in a parallel way to EU integration. Greater Europe in its current configuration can be defined as a double-centric area driven by economic integration that would ideally result in a future integration between the EU and Russian-centred integration initiatives.

To be noted is the considerable difference between the two approaches. Even if both the EU and Russian concepts are based on the idea that the region needs to have a regional power that sponsors the process of integration, the main divergence lies in the role that they give to the other power. While the EU’s Wider Europe project conceives Russia as a far entity to be relegated to the looser circle of integrated countries, Russia recognises the importance of the EU in the region, and intends to act as an equally important region-builder and point of reference in the shared neighbourhood.

Obviously, the situation that we see now is rather different from the theoretical plans of the EU and Russia. From the EU side, the rhetoric of value export and economic cooperation has turned into a geopolitical aspiration to gain influence in the neighbourhood. The Wider Europe conception of concentric circles has thus become a project of absorption into the EU model. At the same time, since the Ukraine crisis showed the failure of aspiration of Greater Europe, Russia advanced increasingly ambitious plans for Eurasian integration, which only exacerbated divisions in Europe¹⁶⁹. As the concept of Greater Europe turned into its contrary, the EU started to perceive Russia's objective as not only to build links between itself and the EU, but indeed to create a two-bloc structure that would bind together two areas of integration – the European Union in the West, and the Eurasian Union in the East. Thus, instead of the creation of a coordinated and cooperative area as the project of Greater Europe conceived, the current situation sees a definitive split between the two areas, and an increasingly competition over the shared neighbourhood.

168 Cfr. Sakwa (2015).

169 Cfr. Sakwa (2015).

This contraposition of strategies represents the definitive answer to our initial question. We were wondering whether the EU and Russian strategies in the shared neighbourhood are compatible and, if not, what are the reasons of the incompatibility. After having seen why EU and Russian goals and instruments in the neighbourhood are difficultly reconcilable, here we saw that also their overall strategies and visions of the future shaper of Europe constitute two alternative choices. The already conflicting rhetoric of Wider Europe and Greater Europe was then exacerbated by the events that occurred in the region, in particular in Ukraine, that worsened the already difficult attempts of cooperation between the two areas.

5.2 EU-Russian Policies in the Shared Neighbourhood

The aim of this part is to compare EU and Russian policies in the shared neighbourhood. The second and the fourth chapters of this work were dedicated to study which policies the two actors sponsored in the region in order to pursue their foreign policy interests. As we saw, the main initiatives that the EU and Russia conceived were, respectively, the Eastern Partnership initiative and the Eurasian Union, that represent two different integration models for the neighbourhood. Here, I will use the outcomes of the previous chapters to make a comparison of the two initiatives at various levels. Then, in a second moment, I will assess the degree of compatibility between them, in order to understand whether there is potential for cooperation between the two areas. Whether there is not such possibility, I will outline what are the main causes of the incompatibility between the two projects at the technical level.

5.2.1 Comparison of Policies

Our study of EU-Russian policies in the shared neighbourhood was mainly focused on Eastern Partnership and the Eurasian Union, that are the most recent and most promising initiatives of the EU and Russia in the region. In the second and the fourth chapters I focused my analysis on the historical development of these initiatives, as well as on their activities, institutional framework and outcomes. From a comparison of these chapters, we can see that the two projects have many similarities but also many potentially conflicting elements.

In the first part of the second and fourth chapters, we saw that both Eastern Partnership and the Eurasian Union are relatively recent initiatives, that have been launched in their current conformation in 2009 and 2015 respectively. However, their gestation lasted for many years, in which both the EU and Russia tried to carry on different kinds of integration projects in the neighbourhood. EaP and the EEU were thus the culmination of a long-lasting gestation of previous policies conceived by the EU and Russia. As we saw, the EU's first comprehensive approach toward the neighbourhood was the Wider Europe initiative of 2003, that in the following year became the European Neighbourhood Policy. Then, Eastern Partnership emerged as the Eastern Flank of the ENP. Launched during the Prague Summit of 2009, it underwent a process of revision in 2011 and in 2015. As we saw, these initiatives were the result of the action of a multiplicity of actors within the European Union. It was mainly Poland and the new EU countries – receiving German support in 2007 - that lobbied for the creation of a European Eastern policy, while old EU members were initially sceptical on any initiative that risked to antagonize Russia. The Eurasian Union also derived from the evolution of different kinds of integration projects that Russia and the other former Soviet countries sponsored in the region. After the creation of CIS in 1991, Russia and other CIS countries started to create a series of frameworks to enhance their cooperation at the economic and political level. In 1994, the Kazakh President Nazarbaev firstly launched the idea of Eurasian integration, even if the real precursor of the Eurasian Union, the Customs Union, was launched only in 2010 by Russia, Belarus and Kazakhstan. The EU and Russian projects were thus developed over

the same time framework, and both witnessed a boost in the integration process in the last years. It is in the last years that the EEU was launched and the EU managed to sign the Association Agreements with three partner countries, two major steps in both integration processes. It is in their current configuration, deriving from a decade-long history, that we can compare the specific initiatives that the EU and Russia carried out within the frameworks of EaP and EEU. As we saw in the previous chapters, the aim of the two projects is rather similar: both of them are intended to integrate partner countries in the EU and Russian different integration projects. The model of this integration is however very different.

Eastern Partnership is, for the moment, a way to institutionalize EU relations with partner countries. It is the application of the EU strategy toward the East and a way to keep partner countries closer to the EU without giving them the membership perspective. In other words, it can be considered as a EU-led policy toward the region of Eastern Europe and the Caucasus in which partner countries remain outside the EU but are guaranteed a special relation with the Union. This relation is based on the provision of a framework of institutionalized political, economic and other forms of cooperation. Basically, under this policy, partner countries remain “outside” the EU and cooperate with it at various levels. On the contrary, the Eurasian Union aims at the accession of partner countries “in” the Union itself. The membership perspective here is clearly stated by the configuration of the EEU. This difference is reflected in the function of the two initiatives. While in the case of the EU, the six partner countries can participate to EU-sponsored initiatives at various degrees of integration in the bilateral and multilateral activities on the basis of the mutually agreed Association Agenda, in the Eurasian Union countries are either members of the Union or not. However, like for the EEU, also the Association Agreement sponsored by the EU seems to be a commitment for partner countries to follow the EU model of integration.

The different nature of the European Union and Russia as international actors, as well as of their integration projects in the neighbourhood implies the adoption of a different approach by the EU and Russia. As I said, Eastern Partnership is based on the principle of “external governance”: the European Union requires reforms, legal approximation and adoption of its *acquis* from partner countries. Therefore, it is a process led by EU institutions, whose aim is to promote reforms and verify the compliance of partner countries, through the instrument of the Association Agreement. Over time, the EU has developed the “more-for-more” principle, meaning that the more a country conducted reforms, the more it could benefit from rewards coming from the EU. Eastern Partnership is thus a comprehensive effort to integrate these countries in the EU framework at the political, institutional and economic level. Therefore, if a country does not succeed in conducting EU-sponsored reforms, it would not benefit from economic integration with the EU. On the contrary, the Eurasian Union has as its primary aim the economic integration with partner countries. The value dimension, and political integration are secondary aims, and for the moment do not seem to be achievable in the short term. This difference is reflected in the final aim of the two projects. While EaP was designed to improve and institutionalize cooperation between the EU and partner countries at various levels, while the goal of EEU was specifically economic since the beginning.

This difference is reflected in the activities on which the two projects are based. At the economic level, both projects are aimed at the establishment of a free trade area between the EU/Russia and partner countries. However, in the case of the EU, free trade is introduced after a process of compliance with the EU rules and standards, under a time framework established in the Association Agenda. Free trade is seen as the reward that the EU gives to countries that successfully realize the provisions of the Association Agenda. As we saw, the Deep and Comprehensive Free Trade Agreement is the main chapter of the Association Agreement that the EU signs with countries that have conducted the necessary reforms according to the EU agenda. The condition is that partner countries meet the relevant criteria and commit themselves to introducing free market principles. The Agreement is based on the lowering of external tariffs and barriers to trade. Countries that sign a DCFTA must adopt around 350 EU laws within a ten-year timeframe. The European Union

assumes that open markets and economic integration contribute to the rapid economic development and increased prosperity, and that the creation of stronger trade ties increases the chances of a lasting political stability in neighbour countries and in the EU itself.

On the contrary, in the case of the Eurasian Union, free trade is already a reality between EEU members, since it was introduced in the framework of the CIS free trade agreement of 2010 – and all EEU members are also CIS members. Being part of the Eurasian Union would imply becoming a member of the customs union and working with the other members to reach the single economic space that would guarantee the four freedoms of goods, capital, labour and money. Regarding specific economic provisions, the Eurasian Union is mainly based on the harmonization of tariffs with Russian ones, that are higher than those imposed by the EU. Political integration is still from being realized, and the intergovernmental dimension remains strong in the Union. Kazakhstan and Belarus often manifested their will to maintain their sovereignty in the political dimension, and their decision not to follow Russia on counter-sanctions against the West could undermine the Union's cohesion.

As I said, an important difference between the EU and Russian projects is that the European one also regards other dimensions a part from the pure economic one. While EEU will eventually lead to the free movement of goods, people, services and money, EaP has a whole institutional and political dimension that is not contemplated by the EEU. A part from the mere cooperation at the economic level, EaP is formed by a bilateral and a multilateral framework that involve activities and cooperation in many fields, as we have seen in the second chapter. Bilateral activities are mainly based on the prescriptions of the Association Agreement, of which trade is the most important dimension, but of which an important role is also given to political dialogue, cooperation and convergence in the field of foreign policy, justice, freedom, rule of law, cooperation in the economic and technical fields, financial cooperation. Also, the Association Agreements promote some forms of cooperation in the field of security, foreign policy and defence between the EU and partner countries. Moreover, the multilateral level involves initiatives in the fields of democracy, good governance and stability, economic integration with EU policies, energy security, people-to-people contacts, and flagship initiatives that concern border management, incentives for SMEs, energy, environment, response to disasters. The Eurasian Union does not see this difference between the bilateral and multilateral level, as it is an integration project in itself. The Eurasian Union is itself a multilateral project that is inevitably based on multilateral policies where all countries are equally integrated in the same organization.

An interesting comparison is then at the level of the role that the EU and Russia play in the two projects. As I said, the EU is the guide of the reform and association processes in the Eastern neighbourhood. Partner countries have a relatively small space of negotiation, and to gain access to the EU market they should conduct the EU-sponsored reforms. The Eurasian Union, being a multilateral international organization is theoretically based on the equality of its members. Of course in practice, as we have seen in the fourth chapter, Russia has inevitably a prominent position, as it is the main contributor at the economic level and has a major voting power compared to other countries of the organization. This prominent role of the EU and Russia in their respective initiatives contributed to present both of them as the regional powers trying to extend their influence in the neighbouring region.

The difference in activities and configuration of the two projects is reflected also on their institutional level. Both Eastern Partnership and the Eurasian Union comprehend a well-established set of institutions that carry out and control the various activities and functions of the initiatives. From the EU side we have institutions set out by the EU to assist partner countries in the process of association with the Union. Among them, the Comprehensive Institution Building Programme and the Association Council are designed to assist partner countries in their process of reform implementation. The Comprehensive Institution-Building Programme is specific for each partner and aims at improving its administrative capacity through training, technical assistance and any

appropriate innovative measures, as well as facilitating the implementation of the DCFTA and the Association Agreements by strengthening the key governmental bodies. Moreover, the Association Agreements envisage the creation of a well-established set of bodies with each country. Among them, the main one is the Association Council, at the level of ministers, and the Committee at the level of senior diplomats with subcommittees consisting of experts from the EU and the partner country. Decisions taken by these bodies are of a legally-binding nature for both parties. Moreover, the EU envisaged other bodies for cooperation with partner countries, in order to involve other branches of their administration and decision-making bodies. Among them, the Euronest Parliamentary Assembly and the Conference of Regional and Local Authorities for the Eastern Partnership, that involve Members of Parliaments and local and regional authorities respectively.

On the other hand, the Eurasian Union, as a multilateral organization is based on a set of institutions that is common to all the countries of the organization. As we saw, its structure was initially conceived to be similar to the EU model. The main institutions of the organization include the Supreme Economic Council, the Eurasian Economic Commission and the Court of the Eurasian Union. This well-established multilateral institutional framework is extended to new members that enter the EEU, that are given a voice on the new policies to be voted. As in the case of EaP, decisions taken at the inter-governmental level by EEU institutions are legally binding for members of the organization. Moreover, an important difference at the institutional level is that EaP deeply involves civil society of partner countries as a fundamental part of its action. The Civil Society Forum has become a full partner within the EaP institutional framework and plays an important role in the implementation of Eastern Partnership initiatives. The CSF aims to strengthen civil society in the Eastern Partnership countries as well as to foster cooperation and the exchange of experiences between civil society organisations from partner countries and the EU. An active civil society and its cooperation with the EU ensures that "reform objectives agreed with partner countries are a true reflection of their societies' concerns and aspirations". This initiative has no correspondents in the Eurasian Union model of integration, that for the moment has not yet conceived activities or policies that aim at the involvement of civil society of their members.

For what concerns the means of financing of the two initiatives, there are also considerable differences, both in the way these initiatives are financed and in the amount that the EU and Russia spend to carry them out. Eastern Partnership is financed through various means that include EU funds, private financing and funds from multilateral financial institutions. It relies on and is embedded in the European Neighbourhood Instrument financing framework, that derives from the previous European Neighbourhood and Partnership Instrument. With a financial allocation of 15.4 billion euro, the ENI is the main source of funding to support the implementation of the ENP in countries of Eastern Partnership and in the southern Mediterranean from 2014 until 2020. In 2014, the EU committed 152 million euro for regional cooperation and other multi-country programmes. In 2014, the EU committed 17.5 million euro for direct support (stand-alone programmes) for civil society. Beyond the initial grant assistance and national co-financing that the EU gave to these countries since the '90s, the implementation of the Eastern Partnership required additional financial resources that were taken from international financial institutions and the private sector to provide additional financing in support of reforms, the flagship initiatives and projects. The additional funds are foreseen for Institution Building Programmes, Pilot regional development programmes and the implementation of the Eastern Partnership Multilateral dimensions. Eastern Partnership countries also benefit from the 'Regional east' programme and from three initiatives open to all neighbour countries: the Neighbourhood Investment Facility, the Technical Assistance and Information Exchange and Sigma (Support for Improvement in Governance and Management). Moreover, the EIB has set up the Eastern Partners Facility at its own risk for an amount of EUR 1.5 billion, with a EUR 500 million ceiling for projects in Russia. On the contrary, the Eurasian Union, not being an assistance institution, is less entrusted to give aid and grants to its own members or to other countries, since all countries are considered to be at the same level and should be part of the same

structure. Instead of receiving funds, they should all contribute to the funding of the organization, according to their own capacities. It is Russia on its own that uses financial assistance and grants to help partner countries to enter the Union. For example, in the case of Ukraine, in December 2014 Russia had promised a loan of 15 billion USD to the country. In the same way, economic concessions and cooperation in the field of security might be incentives that Russia uses instead of the classical EU cooperation tools, to encourage reforms in these countries.

For what concerns the outcomes of the two initiatives, we saw that both of them had controversial results both at the economic and political level. At the economic level, different studies report different results for both of these policies. The twenty-eight-member EU registered a €3.3 billion trade surplus for the first six months of 2013 with EaP countries. According to statistics, EU exports to EaP countries increased from €11.9 billion in 2002 to a peak of €39.5 billion in 2012. According to Eurostat, the biggest EU exporters to the region are Germany, Poland, and Italy, with Ukraine receiving almost half of all EU imports to EaP states. On the contrary, the economic outcomes of EEU are still difficult to quantify since the initiative has been launched very little time ago, but it is estimated that trade between EEU members would increase thanks to the reduction of tariff and non-tariff barriers. Comparing the economic benefits of the two trade areas would give different outcomes for each of the six countries. according to some studies conducted by EU sources, for these countries it would be more advantageous to accede to a larger trade area as is the EU, with a GDP in purchasing power parity of USD 15.65 trillion, rather than that of the EEU of USD 2.76 trillion. This study is based on the assumption that exports are driven by external demand, and eliminating tariffs and harmonising standards in a larger trade area would boost them. However, economic gains achieved through the access to EU markets have to be compared with the losses of the benefits of a close association with Russia, that often grants to countries of the neighbourhood a discounted gas price and economic aid.

Also at the political level the two initiatives had ambivalent outcomes. As we saw, Eastern Partnership was perceived with disillusion by countries like Ukraine and Moldova that wished a closer integration with the EU. However, the initiative is perceived by the EU as its most ambitious project in the Eastern neighbourhood, and the revision that took place in 2015 confirms the importance that the EU gives to this policy. Giving a regional dimension to its foreign policy in the East, the EU also set out its ambition of playing a more active role in the region and to stand out as a regional power. However, we also saw the problems linked to the multilateral dimension of Eastern Partnership, since Eastern Europe and the Caucasus are composed by a heterogeneous group of countries that often refuse to cooperate with each other. For the moment, the EU has thus been unsuccessful in its attempts to provide the neighbourhood with a coherent regional framework that would overcome mutual diffidence among countries. On the contrary, Russia has a more consolidate position in the neighbourhood, given its historical and cultural ties with these countries. however, its activities in neighbourhood countries are often perceived as authoritarian and driven by self-interests. The most important outcome of the EEU has been for Russia its success in establishing its first comprehensive integration project in countries of the Near Abroad.

5.2.2 Compatibility of Policies

Having compared Eastern Partnership with the Eurasian Union, we can now assess what is the level of compatibility between the two policies. This analysis regards the level of technical provisions of the two integration areas. At the economic level, it seems that there are many issues that hinder the cooperation between the two areas. At the EU level, the Association Agreements theoretically permit to partner countries to develop other forms of economic association. For instance, Article 39 of the Ukrainian Association Agreement, Article 36 of the Georgian Association Agreement and Article 157 of the Moldovan Association Agreement state that the agreement ‘shall not preclude the maintenance or establishment of customs unions or free trade areas’. However,

partner countries can access the EU internal market only when they adopt EU standards, rules of origin, certification procedures. On the contrary, countries that become members of the Eurasian Union lose independence in external trade policy since they develop a joint regime of trade with the other member countries. So as soon as a country becomes member of the Eurasian Union, the EU can no longer continue a dialogue or negotiation on a mutual free-trade agreement with that country, because the partner of both the dialogue and the agreement changes. These two provisions are obviously incompatible one with the other. Moreover, Eastern Partnership offers a free-trade regime that is based on the lowering of tariffs to trade, and that is incompatible with tariffs adopted by the Eurasian Union. As we saw, the EEU has mainly adopted Russian higher tariffs to trade as well as Russian trade standards and regulations that are often incompatible with those of the EU. Therefore, the accession to the Eurasian Union automatically excludes the possibility of establishing free trade with the EU. Until summer 2013, Russia has insisted that Ukraine's integration with the EU does not contradict its participation in the Eurasian Union and it said that Ukraine could go simultaneously on both tracks, but in fact this is not possible at the technical level¹⁷⁰.

Moreover, if a country cannot join the two projects at the same time, it is also difficult to conceive a way to harmonize the provisions of the two initiatives. As I said, for the EU all trade negotiations are based on WTO rules, while the Eurasian Union is based on membership of countries that are still not WTO members. Hence, the EU would need to conclude a DCFTA with the Eurasian Union, but Kazakhstan and Belarus are not members of WTO which the EU sees as a precondition for a DCFTA¹⁷¹. Therefore, the EU does not recognize the EEU as a partner in the international arena. This means that is hard to find an actual agenda for any discussion between the EU and the EEU apart from low-level technical issues, such as standards and customs procedures.

Moreover, as I said in the previous chapters, the incompatibility between the two areas is also due to political considerations. Russia expressed its concerns about the clauses regarding security contained in the Association Agreement. It was also sceptical of the EU's transforming role in countries of the shared neighbourhood through the promotion of institutional and legal reforms. At the same time, the EU perceived Russian policies in the neighbourhood as the result of a hegemonic project in the region. This derives from the broader incompatibility of strategies between the two actors, that is reflected at the policy level.

For the above mentioned reasons, the six countries of the shared neighbourhood have been forced to choose between two integration models and two different regulatory spaces. Their decisions differed from country to country and were based on economic and political considerations. Georgia, Moldova and Ukraine have signed the Association Agreement with the EU, while also attempting to remain at least in the CIS free trade area. Belarus and Armenia have entered the Eurasian Economic Union. Azerbaijan has chosen for neither, willing to conduct an independent foreign policy. As I already said, taking a unilateral decision for one block rather than the other would mean renouncing to the benefits that the other actor could bring. For example, the costs of a breakup with Russia would include the impact of migration, remittances and energy dependency¹⁷².

Attempts to solve the incompatibility of policies between the EU and EEU under a trilateral approach that involves also countries of the shared neighbourhood saw a general difficulty to be realized. Even in 2013, in the midst of the emerging tensions in the wider region, the three actors were negotiating parallel agreements that saw no attempts of a trilateral talk. While negotiating the AA/DCFTA with Ukraine, the EU also had separate talks with Russia on a 'new' PCA agreement, while Russia was trying to offer Ukraine favourable conditions to become a member of the Eurasian Union. The decision to finally triangulate the EU and Russia's intentions with Ukraine came rather late in 2014, as a consequence of the ceasefire in Ukraine, whereby the DCFTA implementation by

170 Cfr. Korosteleva (2015).

171 Cfr. Elsuwege (2014, chap. 6).

172 Cfr. De Micco (2015).

the latter was agreed to be delayed by six months, on Russia's demands. Furthermore, the EU Commission has proposed to establish official contacts with the Eurasian Union to start negotiations on the harmonisation of respective FTAs between the EU and the ECU.

These talks mean that solving these technical problems would be possible if there is sufficient political will – precisely what has been lacking over the last years. Some proposals have been advanced by technicians in order to conciliate the two economic areas. One option would be to work towards enhancing the compatibility of the DCFTA and the CISFTA free trade areas, so that countries of the shared neighbourhood could more easily accept both provisions. From a trade perspective, this would involve implementing the FTAs more flexibly and smoothing out potential regulatory points of friction. This is considered a feasible proposal, and would not be the first example of overlapping FTAs with east and west - Serbia, for example, has FTAs with both the EU and Russia. As we saw, the EU Association Agreement would permit other forms of economic association undertaken by partner countries. The CISFTA also includes a compatibility clause (Article 18): 'the current treaty does not preclude participating states from taking part in customs unions, free trade or arrangements for frontier traffic that correspond to WTO rules'.

One potential technical obstacle involves standards. Each free trade area has a set of own standards. In the case of the EU, these are the 'CEN- CENELEC' standards, while for the Eurasian Union these are 'GOST' standards. If one set becomes obligatory for a country, trade with countries using the other set may become more difficult. Goods that meet one set of standards might need supplementary certification (a potentially cumbersome process) to enter markets with another set. But the problem of standards could be cleared through negotiations if there is sufficient political will. Another problem that needs to be addressed are Russian worries that allowing countries to join both free trade areas would create the risk that the Russian market would be flooded with European goods circumventing the EEU's external tariffs. In such a scenario, EU goods would enter Ukraine or Moldova duty-free thanks to the DCFTA, then continue on to Russia, duty-free through the CISFTA. In fact, this fear is unfounded, as both treaties provide clear rules of origin (quite strict in the DCFTA) that prevent trade circumvention and fraud. Both treaties also include safeguard clauses to re-impose the WTO's most favoured nation (MFN) duties in the event of injury to domestic industry created by increased imports – or by the threat of increased imports – from one of the parties.

Russia has given some indication it is willing to negotiate on this issue, and Russian Economy Minister Aleksey Ulyukaev stated that trade conflict is not inevitable, and that Russia could and should try to avoid it: 'Yes, we need to try to combine the logic of Ukraine being in the CIS free trade zone and Ukraine's possible participation in the European Union's free GOST interstate standards. For the EU too, an improvement in the political situation – and most importantly an end to the war in Ukraine, with Russia's support of the Minsk agreement – could re-open the prospect of trade talks. The EU's High Representative/Vice President Federica Mogherini made a first practical step in this direction, proposing a dialogue – specifically concerning Ukraine – 'limiting a perceived negative effect of EU-UA association on Russia'. A clear condition of this dialogue was Russia's compliance with the Minsk Protocol of 5 September 2014. The second Minsk protocol, of 12 February 2015, also officially endorsed 'trilateral talks between the EU, Ukraine and Russia in order to achieve practical solutions to concerns raised by Russia with regards to the implementation of the Deep and Comprehensive Free Trade Agreement between Ukraine and the EU.' If political and technical considerations can be addressed, such talks on trade cooperation would respond to multiple needs. Significantly, they would benefit the countries of the shared neighbourhood, sparing them the losses resulting from alignment with one or another trade bloc.

Another option – the most challenging – would be to extend negotiations beyond the two free trade areas and to work towards creating a real partnership between the two customs areas – the EU and the EEU. In this case, the Eastern Partnership countries would not choose to pursue the programme of one or the other bloc. Such a partnership could be pursued without establishing a

new free trade agreement between the two unions (although that might be theoretically feasible in the very long run). Aligning the EU and the EEU with a free trade agreement would require that a comprehensive agreement between the EU and EEU be concluded. This option has gained traction among Member States leaders and the European Commission. A dialogue – 'cooperation' – between the EU and the EEU would try to establish compatibility between the two unions' customs procedures and standards – notably industrial, sanitary and phytosanitary standards. Already in 2008, there were some attempts to launch such a dialogue, when the EU and Russia launched discussions on a 'New Agreement' which included trade issues but structurally differed from a WTO-based FTA. Talks were paused two years later for lack of progress. They remained on hold until being officially suspended by the European Council in March 2014. In January 2015, German Chancellor Angela Merkel referred to the 'possibility for cooperation in a common trade areas' at the World Economic Forum in Davos. Although her words seemed radical at the moment, they were reflected in the Minsk Declaration on 12 February 2015, which declared that 'Leaders remain committed to building a common humanitarian and economic space from the Atlantic to the Pacific Ocean on the basis of full respect for international law and OSCE principles'¹⁷³.

It remains to be seen which path EU and Russian leaders will choose, and whether cooperation at the policy level will become an effectively feasible path.

5.3 The Ukraine Crisis

Until now, I have spoken of EU and Russian strategies and policies in abstract, without referring to concrete situations that occurred in the shared neighbourhood. Here, I will give an example of how EU-Russian strategies and policies entered into conflict, by referring to the Ukraine crisis. I have chosen to speak about the Ukraine crisis since it is the most recent and most relevant episode that marked EU-Russian relations since the end of the Cold War. As I said in the previous chapters, the crisis represented a major turning point for EU and Russian strategies in the shared neighbourhood, and it had a profound impact on their bilateral relations. The dynamics that were generated since the beginning of the crisis can be interpreted in the light of compatibility of strategies and policies of the EU and Russia in the shared neighbourhood. Giving for granted the knowledge of the events that happened in Ukraine since November 2013, here I will reconstruct and interpret the actions of the two powers in Ukraine since the beginning of the crisis. In doing this, I will evidence what were the exact causes of tensions between EU-Russia strategies and policies. In this study, I will make large use of the study of the English researcher Richard Sakwa, that in his book of 2015, "Frontline Ukraine. Crisis in the Borderland", explains into details what are the causes of the crisis. In the new post-Cold War order, Sakwa says, the crisis in Ukraine developed along two parallel dimensions. On the one hand, there was the so called "Ukrainian crisis", that was the internal conflict in the country. On the other hand, there was the "Ukraine crisis", that occurred when the conflict internationalized and caught the interest of foreign actors. According to this distinction, the Ukrainian crisis emerged from the contradictions of the country's nation-state and state-building since independence in 1991, while the Ukraine crisis is the sharpest manifestation of the instability of the post-Cold War international system and reflects the continuation in new forms of what was the East-West conflict.

173 Cfr. De Micco (2015).

5.3.1 Causes of the Conflict

Without reconstructing all the events that led to the crisis, here I will present the deep roots of the conflict in Ukraine. First of all, few words are necessary on the situation in Ukraine before the crisis. As Andrew Wilson¹⁷⁴ sees it, the entire history of Ukraine can be seen as an oscillation between two sides, the European powers and Russia, with the latter winning the region over the Poles only in the nineteenth century. Thus the present competition between Europe and Russia goes back centuries and is a constituent element of Ukraine's DNA. Since Kuchma's Presidency (1994-2005), the country maintained a position of equidistance from the EU and Russia, taking the best from cooperation with both of them on a case-to-case basis. On the one hand, it received from Russia gas at a discounted rate and participated to some of Russian-sponsored organizations in the former Soviet Space. On the other hand, the request for EU membership was voiced many times since the '90s, and Ukraine was a front-runner of integration with the EU. However, as we saw, in the early 2000s Ukraine was unable to obtain the prospect of membership in the EU while interacting with Brussels outside the ENP format. According to Sakwa, this refusal prompted the Ukrainian leaders to sign the agreement on forming the Common Economic Space with Russia, Kazakhstan, and Belarus in September 2003. It was then that the representatives of the European Union made it clear that Kiev's participation in integration projects with the former Soviet Union states might inhibit Ukraine's integration into Europe. Since that time, thus, when the EU and Russia started to shape a more coherent approach toward the shared neighbourhood, their strategies were already showing signs of incompatibility. Indeed, a few days before the signing of the CES, European Commissioner Günter Verheugen visited Kiev and admonished President Leonid Kuchma that "in case of establishing a customs union as part of the CES, the European integration process for Ukraine could be stepped down or even cease completely". At the same time, we saw that Russia was sceptical of increased cooperation of countries of the shared neighbourhood with the EU, and started to voice its perplexities and fears. Since then, it started to become obvious that the post-Soviet states that wished to broaden cooperation both with Russia and the EU were held hostage to the dynamics and quality of the EU-Russia relations. It was in this framework that the EU and Russia started to build their initiatives of Eastern Partnership and Eurasian Union respectively.

As we know, the internal crisis in Ukraine sparked out in November 2013, when the then-Ukraine President decided not to sign the Association Agreement and Deep and Comprehensive Free Trade Agreement with the European Union, as a part of the integration process contained in the Eastern Partnership initiative. According to Sakwa, Ukrainian Association Agreement was in principle not incompatible with the existing trade agreements between Russia and Ukraine, as we said in the previous paragraph. It left to Ukraine the possibility of negotiating economic agreements with other countries or organizations. However, at the mere economic level, Russia made it clear that it could not accept to have its market invaded by cheap Ukrainian goods as a consequences of free trade between the country and the EU. As I outlined before, Ukraine and Russia are parties of the free trade agreement under the CIS, thus goods can freely circulate from Ukraine to Russia with lower barriers to trade. Moreover, as we saw before, the agreement required Ukraine to adopt a large part of EU *acquis communautaire*, 100.000 pages of law and regulations which were economically exclusive toward Russia. According to Sakwa, in the previous years, Russia's various proposals for the trilateral regulation of the neighbourhood matters were consistently rebuffed. On the contrary, the European Union maintains that Russia never complained about negotiations between the EU and Ukraine before 2013. However, the Association Agreement did not pose only an economic challenge. As I said, technical matters could be overcome if there was the necessary political will from both sides. This will was remarkably lacking, as events showed. A part from

174 Cfr. Wilson (2014).

trade issues, the Association Agreement contained the requirement for Ukraine to align its defence and security policy with that of the EU, a prescription that Russia could not accept. It was this provision that provoked most concerns in Moscow. The Wider European agenda united EU's traditional political and economic interests but also meant Euro-Atlantic security partnership. Although couched in classic European language of peace and development, the agreement announced a formal state of contestation with Russia over the lands between. Article 4 of the Association Agreement talks of the "Aims of political dialogue" stressing that it should be promoted and it will promote convergence on foreign and security matters with the aim of Ukraine's ever-deeper involvement in the European security area. Article 7 called for EU-Ukrainian convergence in foreign affairs, security and defence and Article 10 called on conflict prevention, crisis management and military and technological cooperation. For Russia, leaving to Ukraine the possibility to align its foreign and defence policy with the EU – and indirectly to NATO – would mean losing the closest ally that Russia ever had, on which ground was its most important naval basis. It is here that the geopolitical and strategic dimensions entered the stage of what could be a mere technical and easily solvable issue between the two powers.

The Association Agreement and the DCFTA were thus presented to Ukraine as a choice between the EU and Russia, not only at the economic level but also for what concerned the geopolitical position that the country would have in Europe. Driven by its economic problems, instead of signing the Association Agreement with the EU, Ukraine accepted a financing from Russia of 15 billion dollars starting from the following December. Yanukovych had long been playing Moscow against Brussels, trying to profit from these divisions. He now realized that the EU had little around the table of immediate benefit, while Moscow offered a 15 billion loan and a discount on gas price. When demonstrators rallied at the Independence Square in central Kyiv, waving the EU flag and calling on President Yanukovych to go along with the AA/ DCFTA, the question of belonging to EU or to Russia-led Eurasia came to the centre of the political stage. The Maidan, which had also been the site of mass demonstrations in the winter of 2004–2005, came to be known as “Euromaidan,” a symbolic label popularized through the social media. The pro-EU discourse prompted a rhetorical backlash by Russia, framed as resistance to Western meddling in its privileged sphere of cultural influence. In Ukraine nationalist and monist parties were in favour of the EU agenda in contrast to ties with Russia and considered the AA as the cornerstone of integration of Ukraine into Wider Europe. For the partisans of the Agreement, despite it did not give the membership carrot, it gave a civilizational alternative to Russia as part of the country's European choice. According to Sakwa's study, the Euromaidan sought to reorient Ukraine away from the indeterminacy of the '90s impasse and to avert Ukraine joining the group of the “91 countries”. A conservative, Russo phobic nationalist ideology came to predominate with the exclusivist ambitions of the Wider European project where the Greater Europe project was marginalized. What had begun as a movement to support European values, now became a struggle to assert a monistic representation of Ukrainian nationhood.

The events that followed led to the fall of Yanukovich's government in February 2014, the creation of a temporary pro-EU government and the victory of President Poroshenko at the following elections. For the Kremlin, 21 February was the real turning point of the events, as the fall of Yanukovich's government was perceived as a coup against the legitimately elected President of the country. It is at this point, Sakwa says, that the Ukrainian crisis became internationalized and turned into the “Ukraine crisis”¹⁷⁵. The situation in Ukraine seemed to have been reversed in a few months, if not days. In March 2014, the International Monetary Fund agreed to give Ukraine a 17.1 billion loan over two years, supplemented by 10 billion dollars from the EU and 8 billion from the EBRD. Ukraine signed the Association Agreement with the EU on 27 June 2014. The Wider Europe project ploughed on and the definitive choice was finally made. From Russian side, to avoid that its

175 Cfr. Sakwa (2015).

market would be flooded by re-exports of duty-free European goods to the CIS free-trade zone, controls were introduced at the custom points to request proofs of Ukrainian manufacturing. In addition, in October Russia imposed a ban on the imports of fruit and vegetables from its neighbour. From the EU side, in a concession to Russia the AA enter into force was postpone until 31 December 2015, allowing negotiations to continue on how the two free trade zones could be rendered more compatible. Under this new geopolitical configuration, Poroshenko's Reform Strategy envisaged Ukraine submitting full application for EU membership in 2020, clearly marking his pro-EU choice.

5.3.2 EU-Russian Involvement in the Crisis

Many scholars have tried to interpret the Ukraine crisis under the light of a broader geopolitical and strategic framework. These interpretations necessarily adopt a realist point of view on the events, and are mostly based on security issues that I have examined in the previous chapters. For Mearsheimer, the deep root of the Ukraine crisis was NATO expansion and the US commitment to move Ukraine out of Russian orbit and to integrate it into the West. To reach this goal, the US made use of the influence of the European Union in the region. By extending its influence to the contested frontier zone of Eastern Europe, the EU has become a geopolitical player in the region, even though it lacked the language and the means to pursue this role. This showed the contradictions of two aspects of the EU action: liberal universalism and hegemonic geopolitical power. In Mearsheimer's view, despite the EU's rhetoric of shared values and interests, the EU resented from the influence of new members, that increasingly manifested their security concerns about Russia¹⁷⁶. At the same time, Russia started to perceive the enlargement of the EU and NATO projects to the East as a threat to Russian strategic interests. It is under this dimension that it could not tolerate the further NATO enlargement to Georgia or Ukraine, as it was voiced in the Bucharest Summit of 2008. However, the Ukraine crisis of 2014, and the new Ukrainian government are now seen in as a direct threat to Russian core strategic interests, as Poroshenko is deeply committed to the path of integration with the West.

This realist interpretation of the crisis reflects Sakwa's study on the clash between two visions of Europe: on the one side there is Wider Europe with the EU at its heart, increasingly coterminous with the Euro Atlantic security and political community, and on the other side there is the idea of the Greater Europe, a vision of continental Europe that has multiple centres with the common purpose of overcoming the divisions that traditionally divided the continent. These two potential orders were at the basis of the contestation in the borderlands that outbreak during the Ukraine crisis. Therefore, the Association Agreement of November 2013 was only the straw that caused the explosion of a broader geopolitical confrontation between Russia and the West over the shared neighbourhood. This vision presupposes that the groundwork of the Ukrainian conflict has been latent for at least two decades and is to be identified in the multiplicity of power centres, contested narratives and divergent understandings of the nature of the post-Cold War order.

Sakwa's study dates back the roots of the geopolitical confrontation between the EU and Russia to the end of the Cold War, when he claims that no inclusive and equitable peace system was established in Europe. Instead, the Western block imposed an uneven peace on the Eastern one. It was laid down by the asymmetrical end of the Cold War, in which "one side declared victory while the other one was not ready to embrace defeat". The end of the Cold War and the defeat of the Soviet ideology gave rise to another ideology, that of "the end of history" and the inexorable advance of liberal democracy and the European choice. All those who resisted this ideology were considered as mistaken and in some ways as evil, in a confrontation that "closed down space for pragmatic debate, diplomacy and common sense". On the contrary, for Russia, the end of the Cold

176 Cfr. Sakwa (2015).

War had been a shared victory, since everyone stood to gain from the overcoming of divisions in Europe. Russian vision of shared gains for all from the end of the Cold War led to hopes in the early '90s that it could become a co-architect of the European integration and an equal partner of the West. However, Russia's expectations have been deeply disappointed: EU and, what's more important, NATO enlargement policy totally excluded the possibility of Russia's membership, and also collaboration between the two areas became increasingly difficult. Moreover, some Eastern European states claimed that their quick accession to NATO membership was a military precaution against Russia. Having no perspective to join NATO itself, Russia started to perceive the expansion of the structures of the Western alliance as a threat. NATO expansion nourished Russia's old fear of being surrounded by unfriendly states, and it started to thinking in geopolitical categories and zones of influence.

The EU enlargements of 2004 and 2007 were a manifestation of the Wider Europe model of development. Countries that joined the EU in 2004 are defined by Sakwa "countries of the 1989" and constitute the first model of statehood after the Cold War. Russia accepted the EU expansion to these countries, but could not accept its further enlargement to "countries of the '90". In Europe, enlargement has become part of a broader process of the expansion of the Euro-Atlantic community, in which security, good governance and economic reform go hand in hand¹⁷⁷. The security dimension is a fundamental problem of Russia-West relations since the end of the Cold War. Russia became increasingly sceptical about the geopolitical role that EU initiatives were having in the shared neighbourhood, and above all of the role that NATO was playing in the region. From the Russian perspective, the expansion of Wider Europe opened the door to Ukraine's accession to NATO, promised in Bucharest summit of 2008 and never repudiated. Russia warned repetitively NATO that a further enlargement, bringing NATO to its borders would be perceived as a strategic threat of the first order. From Russian perspective, there was no security vacuum that needed to be filled, while for the West nobody could deny the sovereign choice of the Eastern European countries willing to join NATO. Under its foreign policy revisionism of 2008, Russia considers itself a great power and an alternative civilizational and geopolitical pole in world politics and it could not simply become a part of the Wider Europe focused on the EU nor the Euro-Atlantic security community. The EU's enlargement was seen in the cases of Ukraine and Georgia as a harbinger of NATO's extension to the region, with the renewed policy of containing Russia. As Russia's estrangement from Wider Europe intensified, it placed ever-greater emphasis on the Greater Europe idea. Instead of concentric circles emanating from Brussels, this concept posits a multipolar vision, with more than one centre and without a single ideological flavour. However, Russian Greater Europe initiatives are seen in the West as deriving from Russian will to re-establish a Greater Russia, and this contributed to the worsening of bilateral relations. In 2008, for the first time, the war in Georgia demonstrated Russian resurgence as a strong actor in the international arena and its efforts to block the expansion of NATO and of Western geopolitical project.

The persistent delegitimation of Russia's security concerns, the anti-Russianism of the new NATO members, the failure to overcome the asymmetries in the Cold War settlement, the consolidation of a monological Wider European agenda of EU enlargement and its effective merger with the Atlantic security system, and the dismissal of Russian and other ideas on Greater European unity have all contributed to the creation of the 2014 confrontation¹⁷⁸. According to Sakwa, it would be a mistake to say that the Ukraine crisis signalled the return of geopolitics, it had never gone away. The reality of great power politics is at the heart of Atlanticism, couched in the language of universalism and in the benign practise of global governance. However, he says, NATO's existence became justified by the need to manage the security threats provoked by its own enlargement. The former Warsaw Pact and Baltic States joined NATO to improve their security, but this created a security dilemma for Russia that undermined the security of all: NATO's expansion was seen

177 Cfr. Sakwa (2015).

178 *Idem*

offensive by Russia, that took measures to increase its security and so on. This paradox, that NATO exists to manage the risks created by its existence, provoked a number of challenges and misunderstandings. The Ukraine crisis itself was ultimately about Russia's refusal to submit itself to Atlanticist hegemony and global dominance. On the contrary, Russian neo-revisionism sought to renegotiate a path between the classical notion of sovereignty and great power status and adaptation to the norms of a globalizing world and the realities of the global balance of power. The effective merger of EU security integration with the Atlantic security community meant for Russia that Ukraine's association with the EU took on dangerous security connotations as well as challenging Moscow's own plans for integration into Eurasia.

Therefore, the deep roots of the Ukraine crisis are to be found in a pure geopolitical dimension, that dates back to the consequences of the Cold War for the world order. This confrontation exploded as a consequence of the internal crisis in Ukraine, a country that is divided between a nationalist component, that wants to be emancipated from Russian predominant position, and a consistent presence of ethnic Russians especially in the Eastern regions. For nationalists, the enlargement of Wider Europe means pushing back Russia and limiting its geopolitical ambitions. Europe became identified not with the logic of export of values and human rights but with the projection of Western geopolitics, reinforced by the Euro-Atlantic security community¹⁷⁹. On the contrary, for Eastern provinces, Russian choice would mean maintaining their rights and interests heavily linked to those of Russia. Eastern Partnership in principle served an important purpose, but its implementation proceeded within the worse paradigm of competitive geopolitics, as the Atlantic and Eurasian integration poles radicalized their positions. For the US and the EU, the aim has been to wrest the country from Russia's sphere of influence and continue the joint eastward expansion of NATO and the EU. For Russia, the basic goal has until recently been a symmetrical pushback: to keep Ukraine out of Western security and economic structures, leaving it as at the very least a neutral state, if not an active member of the Eurasian Union¹⁸⁰.

The security and geopolitical dimension of the conflict was exacerbated as events went on during the Ukraine crisis. Russian fears of US presence behind EU and NATO's decisions were confirmed when the US took the lead once protests against Yanukovich gathered pace in late 2013. Victoria Nuland revealed that the US had invested over 5\$ billion in democracy-promotion in Ukraine since 1991. On 6 February the transcript of a phone conversation between Nuland and the US Ambassador in Ukraine revealed the close involvement of the US in choosing Yanukovich's successor, Yatsenyuk. The tape also revealed concerns about Russian opposition to US plans and resentment to EU lack of decision and coherence. It was at that time that the EU has been marginalized as the crisis escalated. The burden of geopolitical leadership shifted to the US, which was more suited for the geopolitical conflict, and the EU was marginalized. In Sakwa's view, for the US relationship with Kiev assumed some Cold War features, where there was little stake for the US in the renewed conflict, while the burden of the crisis would be borne by Russia and its European partners. In these events, the US remains the centre of a vast geopolitical power system in which Ukraine was to act as the eastern anchor of an Atlanticist Europe. With the Magnitsky Rule of Law Accountability Act of December 2012, the US Senate authorized the US to grant to Ukraine the status of an allied nation independently of NATO membership. Furthermore, the NATO Wales Summit of September 2014 adopted a "Readiness Action Plan" to establish military bases in Eastern Europe, and to create a rapid response force headquartered in Poland.

These decisions show how the geopolitical dimension and the great power politics took the place of the initial EU-led narrative of shared values and common economic interests. The diplomacy of the founding EU states has been hijacked by the US and the ex-Soviet Republics geopolitical concerns. As the crisis developed, even German role swung behind the US. Therefore,

179 Cfr. Sakwa (2015).

180 *Idem*

according to Sakwa, the EU has miserably failed in its mission of healing the Cold War divisions and has become no more than the civilian wing of the Atlantic security system.

5.3.3 Consequences for EU-Russian Relations

As the geopolitical dimension was the main protagonist of the crisis, there were some particular events that considerably impacted EU-Russian relations during the crisis. An important turning point of the Ukraine crisis was Russian takeover of Crimea, that marked a point of non-return for Russia-West efforts to solve the crisis. As we recalled in the previous parts, in a speech of August 2008, President Medvedev reclaimed Russian "sphere of privileged interests" in the Near Abroad, and Russian commitment to protect Russian nationals abroad. These two foreign policy goals were the main drivers of Russian takeover of Crimea. Crimea was important for Russia above all for its strategic significance, as Sebastopol is the home of the Black Sea Fleet. It is now just a naval base but an extensive network of airfields, radar stations and ship repair yards. From Russia's perspective, Ukraine's Western choice would mean that Crimea could become a part of the EU and NATO, and Russia could not afford to leave to NATO its most strategic naval base. The Crimean takeover marked a watershed in Russian foreign policy. It had fired a warning shot in 2008 with Georgia and it was now ready to push back, completely disillusioned with Western policy. What for Russia was a defensive reaction to prevent a replay in Crimea of what had been considered a putsch in Kiev confirmed in the West the prejudice of Russia's potential to challenge the Western dominated international order. The resistance narrative against Western hegemony and irresponsibility that had been gaining ground since Putin's Munich speech of 2007 and was now translated into action. Russian actions in Crimea were prompted by realist geo-strategic motives, supplemented by ethno-national concerns based on the idea of the Russian world, a sphere of Russophone interests. Post-communist revanchist pathologies were magnified turning Russia from what had been at most a relatively defensive, conservative neo-revisionist power into a genuinely revisionist state. The seizure of Crimea reflected the failure of creating a Greater Europe and the limits of EU aspirations to create an arch of allies to its east¹⁸¹. At the same time, they reflected the failure of the initial EU proposals for establishing a "ring of friends" with no dividing lines in the neighbourhood.

The Ukraine crisis, and the takeover of Crimea marked a turning point in Russia-West relations that has its consequences up to now. As a consequence of takeover of Crimea, plans for closer economic cooperation between the EU and Russia and the renovation of the PCA were suspended and G8 summit was transferred to Brussels in the format of G7. Moreover, the West imposed sanctions on Russia, that responded with a ban on agricultural products from the West.

The attempt to find a diplomatic solution to the crisis was firstly pursued bilaterally by Putin and Merkel and then in the Normandy format. The key issues were the stabilization of the Ukrainian border, establishing a framework for Ukraine's economic recovery and an equitable energy agreement and a settling for the status of Crimea. On 26 August the Eurasian Customs Union, Ukraine and the EU met in Minsk to discuss issues associated to the overlapping free-trade areas. Moscow had three main concerns: for Ukraine's duties on European goods to be lowered more slowly than envisaged in the agreement; that more stringent EU regulations would block Russian access to the Ukrainian market; assurances that the Russian and EU phytosanitary requirements would be unified or mutually recognized within Ukraine. A trilateral working group was set up to manage mutual trade under these conditions. Putin noted that the standards in the EU and Russia were incompatible and Russia made a 60-page list of the amendments to the AA including sections on tariffs and energy liberalization. If this issue had been regulated earlier, it could have avoided the Maidan Revolution. Ukraine's NATO membership was indefinitely blocked,

181 Cfr. Sakwa (2015).

with 10% of its territory given special status, a Russian goal that could have been achieved earlier without war.

Conclusions

In this chapter, I used the outcomes of the previous chapters and combined them to assess the level of compatibility of EU-Russian approaches in the shared neighbourhood. The outcomes of this study do not seem optimistic. Regarding the strategies, the two powers have similar goals that can hardly be pursued at the same time by the two actors. Both Russia and the EU are concerned with the stabilization of the shared neighbourhood, since it represents a challenge for stability, peace and prosperity of the European continent. However, both of them have their own conceptions of stability and security, as their stance in frozen conflicts shows. Also, for both the EU and Russia, the neighbourhood is seen as a region to exert their influence and to enhance their international status. This goal is certainly mutually excluding. Gaining a strong international role was a long-term goal of Russia – that needs to have an influence in the neighbourhood not to be confined in the role of a minor power. At the same time, the EU the new role as a global actor is emerging in recent years and it will be coronated by the new European Global Strategy. The competition at the level of goals in the shared neighbourhood became increasingly manifest in the strategies that the two actors followed in the region since the '90s, and in particular in their respective visions of Wider Europe and Greater Europe.

At the level of policies, we saw that in their current configuration there is potential for compatibility between provisions of Eastern Partnership and the Eurasian Union. Technical obstacles such as different tariff barriers to trade and different standards and regulations can be overcome if there is sufficient political will from both sides. At the technical level, the apparent incompatibility between the two areas could be solved through trilateral meetings, since the Association Agreement with the EU does not impede these countries to be part of other economic unions. However, the technical problems of the two economic projects were soon politicized in Russia-EU relations and in the case of Ukraine they became the pretext for the outburst of a wider geopolitical confrontation.

In the third part of the chapter, I focused the attention on the Ukraine crisis as the main outcome of the geopolitical confrontation between the EU and Russia. As Sakwa says, we shall distinguish between two parallel crises in the country. The first one, within Ukraine, was due to internal ethnic and political divisions, while the second one occurred at the international level. When the crisis started to internationalize, after Yanukovich's refusal to sign the Association Agreement with the EU, both Russia and the EU were attracted into the internal conflict as external actors with their own interests in the country. What started with a pure dispute over the economic path of Ukraine acquired a broader geopolitical dimension and showed the long-lasting contraposition between the West and Russia that had been kept under silence since the end of the Cold War. Russian takeover of Crimea, to defend its control of the strategic basis of Sebastopol and to protect ethnic Russians in the region, resulted in a definitive clash between the country and the West, that was the climax of EU-Russian controversies over the region. Therefore, according to Sakwa, the crisis was the result of twenty years of muted EU-Russian mutual misunderstandings, incomprehension and accusations over their respective actions, interests and values.

General Conclusions

The goal of this thesis was to give an overview of the main trends that characterized the relations of the EU, Russia and the shared neighbourhood in the last decades. This work tried to give some guidelines to explain the events that the European continent is currently witnessing with regard to EU-Russia relations and the countries between the two powers. As the Ukraine crisis showed, the EU and Russia have failed in conceiving a shared and mutual beneficial approach for the political and economic ties that link them with each other and with the shared neighbourhood. The whole work was intended to answer to the question of whether EU and Russian approaches in the shared neighbourhood, given the present-days situation, have the potential for future cooperation or are conflictual and mutually exclusive. I tried to answer to this question by presenting and then comparing EU-Russian strategies and policies in the region under an historical perspective that took into consideration the last sixteen years.

As we have seen in the last chapter, the prospects for EU-Russian cooperation both at the bilateral level and for what concerns the shared neighbourhood do not seem positive. A network of different interests, goals and strategies connects the various actors in the neighbourhood, that has eventually become a battlefield for major powers to pursue their international goals. The six countries of Eastern Europe and the Caucasus have become reliant on the dynamics of Russia-EU relations and of their approaches over the neighbourhood. A relation that, for the moment, does not have positive prospects. The analysis of the previous chapter revealed that the current tensions in bilateral relations derive from the incompatibility at the level of both strategies and policies. However, it also showed that policies such as Eastern Partnership and the Eurasian Union inevitably derive from the decisions taken at the level of strategies, that correspond to the foreign policy decisions of the two powers. Therefore, if the incompatibility between EU-Russian policies could ideally be solved through technical negotiations, the political rivalry between the two powers has until now prevented from reaching such kinds of agreements. In fact, as we saw in the reconstruction of the evolution of the EU and Russian approaches in the shared neighbourhood, the two powers' strategies in the region have continuously evolved in the last decades, and as the two powers got stronger at the regional level, their goals and ambitions in the neighbourhood revealed the increasingly competitive logic of their respective projects. Therefore, if prospects for a cooperative relation over the shared neighbourhood could have been envisable in the early 2000s, the power politic of both the EU and Russia increasingly emerged, revealing the impossibility of the convergence of the two projects.

According to Sakwa's analysis, any initiative carried out in the shared neighbourhood by the EU and Russia contains a geopolitical and confrontational logic. On one side we find the geopolitical logic in the Eastern expansion of Western institutions, that saw the EU and NATO enlargements to countries of the former Soviet bloc. On the other hand, there are Russian "red lines" in its "sphere of privileged interests" and Russian will to reassert its regional role in the Near Abroad. These two conflicting strategies are then transferred at the level of policies, that also acquired a confrontational logic. Eastern Partnership and the Eurasian Union derived from attempts of the two powers of exporting their integration model and their influence to countries of the shared neighbourhood. Different values, instruments and methods were at the basis of these policies.

The Ukraine crisis represented the culmination of this process of increasing tensions in bilateral relations and increasing polarization of the political logic of the shared neighbourhood. The crisis revealed that EU–Russia relations result from the sensitive and difficult balance between a strategic partnership with a cooperative tone and a regional competition for influence, power and security in the shared neighbourhood¹⁸². The events that took place in Ukraine since late 2013 derived from the incompatibility of EU and Russian approaches in the shared neighbourhood, and

182 Cfr. Dias (2013).

they led to the current tense climate in EU-Russian bilateral relations. This episode confirmed the difficulty in finding a peaceful approach toward the region and toward each other. The suspension of the NATO-Russia Council, Russian exclusion from the G8 and the continuation of economic sanctions from both sides increased the logic of confrontation between the two powers.

For the time being, it seems that the reprisal of “normal relations” between the EU and Russia is strictly connected with the resolution of the crisis in Ukraine. The Minks II Agreements seem to have found a ground of common understanding, at least at the practical level, but they still have to be completely implemented. Moreover, they can only solve technical problems related to the situation in Ukraine, and they are far from solving the whole situation of recurrent tensions between the EU and Russia. Many proposals have been made on a possible way out from the current crisis. As Kissinger wrote in 2015, the solution of the tensions coming from the Ukraine crisis should be based on pragmatic cooperation between the two powers, reaching an outcome that is compatible with the values and security interests of all sides. The pillars of this proposal are Ukraine’s absolute right to choose freely its economic and political association, Ukraine’s drop of any ambition to join NATO and Russian recognition of Ukraine’s sovereignty over Crimea, given that Crimean autonomy is granted by Ukraine. Others proposed making of the Crimean Peninsula an autonomous region within Ukraine, but given to Russia under a leasing contract on the model of Hong Kong with the UK. Yet, given that the EU and Russia could find an agreement on the resolution of the situation in Ukraine, the whole geopolitical logic that led to the conflict still needs to be addressed. From the EU side, different proposals have been advanced to deal with Russia. One of them focuses on constraining Russia. It suggests beefing up the defence plans for NATO territory, trying to limit Russia’s leverage in its non-NATO neighbourhood, and sticking to economic sanctions that supposedly sooner or later will bring down the ever more brittle regime in Moscow. Another approach – advocated, among others, by US foreign policy gurus Zbigniew Brzezinski - is essentially a geopolitical deal with Russia, which focuses around a permanent non-aligned status for Ukraine. Finally, a third approach can be a mix of carrots and sticks. This is the position often heard in Europe and claims the need to be firm on sanctions and use them to regulate the situation in Ukraine, but at the same time to look out for ways to offer Russia a new stake in the European order. This could be done by legitimising the Eurasian Economic Union by allowing it to co-operate with the EU. However, it is difficult that bilateral relations can be solved on the basis of a proposal advanced from just one side: both the EU and Russia should cooperate to find a mutually acceptable solution.

What is certain is that a re-engagement of the EU and Russia on political dialogue and pragmatic cooperation over the neighbourhood would be possible only under certain conditions. A mutual understanding of aims and perceptions must be at the basis of the improvement of their bilateral relations¹⁸³. Brussels needs to understand the fears of Moscow that the Eastern Partnership is considered by Russia as an imperialist expansion into the area of its “privileged interests” and that Russia will only work in its own terms and not on supposedly shared interests and values previously defined by the EU. In return, the Kremlin has to understand that the EU not always sees its ambition in the neighbourhood as driven by the geopolitical and power politics logic. Moreover, both the EU and Russia should understand that countries in the shared neighbourhood do not have to make a choice either for or against one of the two integration model. A stable and economically prosperous region is beneficial for all parties involved. As we saw, cooperation at the level of politics would be possible if there was enough political will.

Certainly, some joint initiatives at the technical and practical level would enhance EU-Russian relations and push them to pursue a renewed dialogue. Economic cooperation is certainly one of such dimensions, and both the EU and Russia are positive on the outcomes of the Saint Petersburg International Economic Summit that will take place in June, when Junker and Putin will have their

183 Cfr. Liik (2015).

first meeting in the Russian soil since the beginning of the crisis. At the institutional level, many scholars note that a positive step would be re-shaping some of the discussion formats to suit today's needs. Most, if not all formats that unite Russia and the West are based on the assumption that the two powers share interests or even values. That has been the source of much frustration on both sides. Russia has felt permanently criticised, while Western allies have felt they need to choose between keeping good relations with Russia or following EU values. The evolution of all the actors involved showed the failure of the rhetoric of shared values that had been present in the PCA of the '90s. Certainly, giving a legal basis to EU-Russia relations would simplify their mutual understanding and channel it on a cooperative dimension. Another positive stimulation to that end could be creation of a kind of a linkage between the EU's Eastern Partnership and its Strategic Partnership with Russia, namely a platform or a forum encouraging eastern partners to follow a policy with Russia that is in harmony with the EU's foreign policy towards Russia. As we saw, disputes over the economic dimension of the Association Agreement with Ukraine could have been avoided if the three actors engaged in trilateral talks over a solution that would be acceptable for all.

These are all ideas, and the future path of EU-Russia relations depends on so many variables that it is now difficult to predict future developments of the issue. The future developments of the Ukraine crisis as well as of the incompatibilities between EU and Russian strategies over the shared neighbourhood remain highly unpredictable. It has to be seen whether the cooperative and mutually beneficial logic in bilateral relations will prevail, or whether the geopolitical rivalry over the region will continue to constitute an obstacle for the maintenance of good neighbourly relations. What is certain is that all the parties will win if a cooperative logic is established in the shared neighbourhood, and all will loose from the prosecution of a mere geopolitical competition to prevail as regional powers in the shared neighbourhood.

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Dipartimento di Scienze Politiche

Cattedra di Relazioni internazionali

Compatibility of EU – Russian Strategies and Policies in Eastern Europe and the Caucasus (2000-2016)

Abstract

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Abstract

The idea of this thesis came from the events that took place in Ukraine over the last years, that profoundly impacted EU-Russia relations. In its international dimension, the crisis can be interpreted as the culmination of a broader confrontation between the West and Russia, that has its roots at the end of the Cold War¹⁸⁴. Since the early '90s, EU-Russian visions and approaches toward the shared neighbourhood have been gradually evolving towards an increasingly conflictual dynamic and toward the development of hardly compatible projects that clashed in the case of Ukraine. That is why the topic of this work is to understand what are the main characteristics of EU-Russian strategies and policies in the shared neighborhood over the last decades. The “shared neighborhood” is the region of Eastern Europe and the Caucasus and includes six countries: Ukraine, Belarus, Moldova, Georgia, Armenia and Azerbaijan. This study is intended to analyze what is the degree of compatibility of EU-Russian strategies in the shared neighborhood and of the correspondent policies that the two powers are developing in the region. This will help us understand what are the main reasons of the clash between the EU and Russia, and how their approaches toward the shared neighborhood and toward each other evolved as a consequences of events that took place in neighboring countries and in EU-Russia bilateral relations. The aim is to understand if there is potential for a sincere and long-term cooperation between the EU and Russia as regard as the shared neighborhood.

I considered the issue under an historical perspective, focusing on the evolution of foreign policy strategies of the EU and Russia since the year 2000. Historical depth is necessary to understand the causes of contemporary tensions and incomprehension between the two powers and to comprehend the roots of their divergent approaches toward the neighbourhood. My analysis starts in the year 2000 for a variety of reasons. Firstly, I wish to focus on recent events that influenced EU-Russian approaches toward the neighbourhood, so I had to limit my analysis to the last decades. Secondly, I consider the year 2000 as the beginning of a more assertive approach toward the neighbourhood from both sides. Under President Putin, in 2000 Russia begun a process of steady economic growth that would eventually result in its aspirations for a more assertive role in the international arena, that sees the neighbourhood at the first place in its foreign policy priorities. At the same time, in the early 2000s the European Union witnessed its major enlargement, an event that would deeply impact its internal policies and external relations, in particular toward the Eastern neighbourhood and Russia.

To make the analysis easier, I distinguished three periods in EU and Russian foreign policy approaches toward the neighbourhood. The beginning of each period is marked by events that shifted the EU-Russian approaches toward each other's and toward the shared neighbourhood. The first period goes from 2000 to 2008, and is delimited by Putin's accession to power in Russia and from the EU big enlargement of 2004 and on the other extreme the war in Georgia in August 2008. The second period goes from the end of 2008 to the Ukraine crisis of 2014, that marked an important turning-point in EU-Russia relations. Finally, the last period begins in the troubled period that follows the crisis, and lasts until our days. This time delimitation will be used throughout the whole thesis, especially in the first, the third and the fifth chapters.

The thesis is divided into five chapters. The first two chapters focus exclusively on the EU approach toward the Eastern neighborhood, while the third and the fourth ones focus on Russian approach in a parallelism with the previous two. The first and the third chapters are dedicated to the analysis of EU and Russian strategies toward the shared neighborhood, while the second and the fourth one focus on EU and Russian policies in the region. Finally, the fifth chapter compares the outcomes of the previous two chapters and is intended to assesses the level of compatibility between EU and Russian strategies and policies in the shared neighborhood. The aim of this chapter

184 Cfr. Sakwa (2015).

is to highlight the main points of convergence and divergence between EU-Russian approaches in the region. As we will see, despite the numerous attempts to establish a mutually profitable relation between the EU and Russia, events such as the War in Georgia and the Ukraine crisis show the difficulties that the two powers face in reaching a mutual understanding and a sincere cooperation in the shared neighborhood. Therefore, the two approaches tended to diverge over the last years and became increasingly incompatible.

1. EU Strategy

The aim of the first chapter is to analyse the foreign policy strategy of the European Union toward the countries of Eastern Europe and the Caucasus since 2000. As I said, I start the analysis in this year as it symbolically represents the beginning of the change in the EU approach toward the region. In the '90s, after the fall of the Soviet Union, the EU attention was focused in particular on countries of Central and Eastern Europe, that would eventually become EU members in the two enlargement rounds of 2004 and 2007. The EU distinguished these countries from countries that had previously belonged to the USSR, since it believed that CIS countries would remain under Russian influence and pursue their own model of integration. The EU cooperated with countries of Eastern Europe and the Caucasus under the framework of Partnership and Cooperation Agreements, to respond to their interest in getting closer to the EU. Throughout time, relations between the EU and these countries have evolved on the bases of these bilateral Agreements, until the European Union realized that it needed a comprehensive strategy that would involve the whole region. Starting from 2000, the EU strategy in the neighbourhood has evolved as a response to internal changes in the EU, enlargement and events that took place in the neighbourhood and in the international environment. Above all, the 2004 enlargement brought new issues to the attention of the EU and changed its internal configuration as well as its foreign policy drivers. It increased the EU global weight and expanded its international interests, bringing Ukraine, Belarus and Moldova to the EU's immediate neighbourhood. It is from this period that my analysis begins.

To study the evolution of the EU strategy toward the region over the last fifteen years, the chapter is divided into two parts. The first part analyses relevant foreign policy documents that allow us to reconstruct the EU priorities and intentions in its approach toward the region. As this analysis shows, EU goals toward the region remained the same over time, but the EU approach, instrument and method evolved. Basically, EU goals are the promotion of an area of stability and peace in the neighbourhood and the creation of a so called "ring of friends" and well-governed states. Documents such as the EU Security Strategy, the Wider Europe Initiative and the Neighbourhood Policy show that the main EU concern is the securitization of the neighbourhood, since the EU internal stability and prosperity are seen as strongly inter-related with that of neighbouring countries. The first comprehensive initiative in the neighbourhood was the European Neighbourhood Policy, that was launched in 2004. The objective of the ENP is "*to share the benefits of the EU's 2004 enlargement with neighbouring countries in strengthening stability, security and well-being for all countries concerned*". The ENP is intended to encourage reforms that will bring benefits to neighbour countries in terms of economic and social development, leading to the convergence of economic legislation and the progressive and mutual opening of partners' economies. While the membership perspective is deferred for countries that had expressed their intention to join the EU, ENP's principal offer to the neighbours is that they will have a share in the internal market of the Union as they progressively adopt EU regulation and reduce barriers to trade. Moreover, the issue of visa-liberalization also represents a major incentive for these countries to conduct reforms.

While the initial EU approach toward Russia in the contest of its Eastern approach was benevolent, as Russia was offered the participation to ENP, things changed with the Georgian war, that represented a turning point for EU strategy in the area. For some EU countries, the concerns

that Poland and the Baltics had been raising for years about Russian potential interests in the Former Soviet Space seemed to be confirmed by the events in Georgia. The EU response to the war showed its internal divisions between those countries who historically condemned and feared Russia and those who did not want to spoil their good relations with the country – such as Germany, France, Italy. However, whatever the reaction of single EU Members to the war was, the episode convinced the EU that it had to revise its strategy toward the neighbourhood, that had been rather ineffective. The process of revision, profoundly pushed by new EU countries such as Poland, led to the launch of the Eastern Partnership initiative in 2009. The goal of EaP was to shape a more comprehensive and targeted EU approach toward the Eastern neighbourhood, bring a lasting political message of political solidarity alongside additional, tangible support for democratic and market-oriented reforms and the consolidation of their statehood and territorial integrity. Compared to previous documents, EaP promised a new ambitious partnership, based on a flexible and tailored approach to each partner needs and capacities. To reach the new goals of the Eastern Partnership initiative, the EU launched a new generation of Association Agreements, that were aimed at sponsoring the harmonization of these countries internal legislation with the EU norms and standards, with the aim of “driving these countries closer to the EU”. Contrarily to the ENP, Eastern Partnership was specifically addressed to the six countries of Eastern Europe and the Caucasus, and did not include Russia. Despite this approach was not consciously directed against Russian interests, it was perceived by Russia as the EU attempt to extend its area of influence in the traditional Russian sphere of privileged interests.

The Ukraine crisis, that marked the climax of the contraposition between EU and Russian visions of the shared neighbourhood, led to a rethinking of the EU strategy toward the East, and in general to the process of revision of the EU’s Neighbourhood Policy and to the elaboration of the first EU Global Strategy, to re-launch a coherent and comprehensive EU foreign policy framework.

The second part of the chapter is dedicated to the analysis of the EU’s approach toward Russia in the framework of the EU Eastern strategy. In the last two decades, EU-Russia relations deeply influenced the EU approach toward the Eastern neighbourhood, and in the same way Russia-EU relations were influenced by the EU’s approach toward the neighbourhood. As I said, the EU initially offered to Russia the chance to participate to the Neighbourhood Policy of 2004, but the two powers then decided to pursue their cooperation under the framework of the Strategic Partnership and the Four Common Spaces. However, the war in Georgia represented a first turning-point in the EU strategy, as the Union started to focus more on Eastern neighbours rather than on its relations with Russia. Then, the Ukraine crisis united the EU countries under a common foreign policy toward Russia, after years of “Russia-first” policy conducted by many of them. Economic sanctions and the interruption of many frameworks of cooperation, such as visa dialogue, show the EU determination to punish Russia for what it considers a violation of the international law. Moreover, another aspect worth considering for the EU’s approach toward Russia is the importance of the United States as guarantor of the EU security. In particular, countries of Central and Eastern Europe saw the entrance in the US umbrella as a guarantee from future Russian expansionists actions in the area. The incomprehension between Russia and the US/NATO in the security domain in the last years were exacerbated by the Ukraine crisis and led to the need of a re-thinking of the European security. In conclusion, the chapter shows that the Russian factor was a heavy constraint on EU’s approach toward the neighbourhood and an actor with whom the EU cannot avoid dealing with when it comes to countries in the East.

2. EU Policies

The second chapter of this theses explains how the EU tried to realize its strategy toward its Eastern neighbors through concrete policies. In particular, it examines the Eastern Partnership initiative, that is the most comprehensive and inclusive strategy that the EU conceived for its

neighborhood. The history of Eastern Partnership dates back to the Wider Europe initiative of 2003. In January 2003 Poland presented a non-paper to the EU with its proposal for the creation of the Eastern dimension of the EU's external action. This initiative should include four countries: Ukraine, Moldova, Belarus and Russia. After a series of events in the international and regional arena, the EU approach toward the Eastern neighbourhood ultimately took its contemporary configuration under the Eastern Partnership initiative, that was launched at the Prague Summit of 2009.

The goal of Eastern Partnership is to institutionalize the EU's strategy toward Eastern neighbours, by giving it a comprehensive framework. The initiative is based on a series of economic, political and cultural initiatives to be taken jointly with neighbour countries "interested in moving toward the EU". This goal is pursued both at the bilateral and multilateral level. The bilateral track was designed to create a closer relationship between the EU and each partner country to foster their stability and prosperity in mutual interest. According to the Commission Communication of 2008, it was designed to include the upgrading of contractual relations towards Association Agreements and to give partners the prospect of negotiations for a deep and comprehensive free trade areas with the EU. Moreover, the initiative was based on the promotion of a progressive visa liberalisation between the EU and partner countries and support for economic and social policies¹⁸⁵. Through the so called "Association Agenda", the EU promotes economic and political integration with these countries, with the final goal of reaching an Association Agreement. The Association Agenda envisages a series of reforms that partner countries should undertake to integrate local standards with the EU norms in the fields of economy, public administration, good governing practice, non-governmental sector, cross-border cooperation and ecology. To promote reforms, the EU uses all the available sources, including granting aid, sharing expertise and advice, best practices and know how, assistance, advice and a structured process of approximation to EU *acquis*, support to capacity-building and institutional strengthening. In addition, since its revision in 2011, Eastern Partnership is based on the "more-for-more" principle, meaning that the more the countries achieve their goals in pursuing reforms, the more rewards the EU gives to them.

The multilateral framework of the Eastern Partnership is intended to represent a forum to share information and experience on the partner countries' steps toward transition, reform and modernisation. It is aimed at fostering links among partner countries themselves and it is a forum for discussion on further developments of the Eastern Partnership. It is expected to become an instrument for the 'gradual Europeanization of the Eastern neighbours – with the "centre of gravity in Brussels". Finally, under this dimension, the bilateral DCFTA may establish a free trade area in the whole region. The main instruments of Eastern Partnership multilateral track are the four Thematic Platforms for technical work and the six Flagship Initiatives. The Thematic Platforms are democracy, good governance and stability, economic integration and convergence with EU policies, energy security and people-to-people contacts. Flagship initiatives, which are regional cooperation programmes in the fields of: energy, environment, response to disasters, border management, support to small businesses. Moreover, engagement with civil society is a key element of the Eastern Partnership. It is underpinned with initiatives like the Civil Society Forum, the Neighbourhood Civil Society Facility, and dedicated funding at regional and country level.

At the institutional level, Eastern Partnership envisaged the creation of a multiplicity of institutions. The Comprehensive Institution Building Programme is the most relevant one, and it is aimed at facilitating the implementation of the DCFTA and the Association Agreements by strengthening key governmental bodies in partner countries. Moreover, the Euronest Parliament Assembly and CORELAP are two fora at the levels of Parliaments and regional authorities that have the aim of strengthening cooperation with internal bodies of partner countries. For what concerns the finances of Eastern Partnership initiative, in the period of 2014-2020, the European

¹⁸⁵ The document can be found at the following link: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52008DC0823&from=EN>

Neighbourhood Instrument (ENI) represents the key EU financial instrument for cooperation with partner countries, with a financial allocation of EUR 15.4 billion. In 2014, the EU committed EUR 152 million for regional cooperation and other multi-country programmes, including a number of strategic interventions in different sectors.

Overall, despite its dynamism, Eastern Partnership did not achieve the success that the Commission expected. The signature of bilateral AA and DCFTAs with three countries – Ukraine, Georgia and Moldova - is considered a success of this policy, but it is debatable whether the same results could not have been achieved outside the Eastern Partnership framework. It is true that at the economic level, the initiative is expected to significantly contribute to the increase of the economic performance of partner countries signing the DCFTA, that would have access to the EU market. The reduction of tariff and non-tariff barriers to trade should bring about efficiency gains and improve welfare through increased market integration. However, improvements in the fields of democracy and human rights have been less visible. From the side of the EU, Eastern Partnership certainly was representative of the EU's intention to play a major role in the Eastern neighbourhood, but many critics were raised over the EU approach based on the principles of “external governance”.

3. Russian Strategy

In the case of Russia, we speak of its strategy in the “Near Abroad” since Russia considers former Soviet countries (except from the Baltics) as a part of an integrated space toward which it has a common foreign policy approach. First of all, it has to be said that the Near Abroad represents for Russia the priority area of its foreign policy. Contrarily to the EU, Russia has profound historical, cultural and politico-economic ties with these countries, due to their shared history during the Tsarist and Soviet periods and to the common belonging to the “Slavic world” with some countries – especially Ukraine and Belarus. Despite the changes that occurred in Russian foreign policy since the early '90, the former Soviet Bloc has always been a priority for Russia. However, in the early 90s, after the dissolution of the Soviet Union, Russia was initially not able to maintain its influence over the neighbourhood, and this vacuum left the door open for the entrance of other actors in the region, such as the US and China. It was only in the early 2000s that the country started to play a more assertive role in the Near Abroad. Respecting the time-division that was made for the EU, I distinguished three periods to analyse Russian approach toward the region. From 2000 to 2008, under Putin's Presidency, Russian economy started to recover, and the country gradually re-gained its internal stability and prosperity. It is in these years that Russia started to develop a more assertive foreign policy, that would definitively emerge in 2006-2008. In this context, the neighbourhood plays an important part in enhancing Russian international status.

The Foreign Policy Concept of 2000 sets as a priority the formation of a good-neighbour belt along the perimeter of Russia's borders, to prevent the emergence of potential hotbeds of tension and conflicts in regions adjacent to Russia. In the document, the Near Abroad occupies the first place in the section of regional priorities, as Russia considers a priority area the development of good neighbourly relations and strategic partnership with all CIS member states. A different approach is presented in the 2008 Foreign Policy Concept, that expresses Russian new weight in the international arena, that derived from the process of revisionism of Russian foreign policy. Since Russia had become economically stronger and had overcome the crisis of the previous years, in Putin's mind economic growth should go together with power growth, and Russia was ready to re-take its role of great power in international affairs. Again, the neighbourhood takes the first place in Russian regional priorities. This revisionism occurred in the years that preceded the war in Georgia, that was considered in Europe as a sign of Russian assertiveness and imperialist ambitions in the Near Abroad. From Russian point of view, its actions in the course of August 2008 derived from the need to protect its “privileged interests” in the neighborhood, according to the five drivers of Russian foreign policy that Medvedev outlined in the same year.

Another important turning point for Russian vision of the neighbourhood was the Ukraine crisis, that marked an important event for the development of its strategy toward the Near Abroad and Europe. The crisis represented the ultimate demonstration of Russian assertiveness in the neighbourhood and led to Russian reinforcement of its economic and political initiatives in the region. Moreover, it exasperated tensions in bilateral relations with the EU and it polarized the public opinion and the political visions of partner countries over their path of association with the EU and Russia.

Regarding Russian approach toward the European Union, it has to be said that the West in general and the EU more recently have always been essential for the affirmation of Russia in the world. According to Tsygankov¹⁸⁶, the West shapes Russian identity and creates the meaningful environment for Russian definition of national identity and national interests. The Foreign Policy Concept of 2000 affirms that “*relations with European states is Russia's traditional foreign policy priority*”. The main aim of Russian foreign policy in Europe is the creation of a stable and democratic system of European security and cooperation, as all Russian foreign policy concepts affirm. However, in the last years Russia has become increasingly disillusioned regarding the possibility of cooperation with Europe. Despite a successful framework for Russia-EU bilateral relations was established in the principle of Strategic Partnership, divergences on the shape of the new shared neighbourhood started to emerge in the early 2000s and negatively influenced bilateral relations.

Until 2004, Russia had not seen the EU as a potential threat in the neighbourhood, considering the EU initiatives in the region as driven by the will to institutionalize its relations with neighbour countries. However, due to the Colour Revolutions of 2003 and 2004 in Georgia, Kyrgyzstan and Ukraine and to the 2004 EU enlargement – that gave membership to countries of the former Soviet Bloc with anti-Russian mindsets - Russia started to view EU initiatives in the shared neighbourhood as potentially threatening. This vision was reinforced by the Eastern Partnership initiative, that was viewed from Russia as an intrusion in its “sphere of privileged interests”. In particular, Russia was sceptical about the potential economic damages that the DCFTAs could bring to its own economy and about the Association Agreements’ provisions on the alignment of foreign and security policies of partner countries with that of the EU. Russian perception of the European Union and its role in the shared neighbourhood got definitively worse after the events in Ukraine. In particular, Russia is concerned with the continuous expansion of the EU and NATO in the area that was previously a part of the Soviet Bloc, since it would increase Russian sense of insecurity. Despite the Kremlin has not yet released a new Foreign Policy Concept that takes into account the new situation in the neighbourhood, the new Military Doctrine of 2014 and the National Security Strategy of 2016 well show the change in Russian perception of the West and the increase in its determination to pursue its goals in the area of “privileged interests”.

4. Russian Policies

On the side of policies, while the European Union developed the Eastern Partnership initiative, since the fall of the Soviet Union Russia sponsored different integration projects in the Former Soviet space. Among them, economic, political and military formats of cooperation are the CIS, the CSTO, the Customs Union and the more recently established Eurasian Union. Russia's approach to economic integration with post-Soviet countries has been shaped by a number of factors, including the influence of domestic reform priorities, the changing drivers of economic growth, the personal inclinations and ideas of leaders, external shocks and the stance, actual or perceived, of other ex-USSR nations. Some of these initiatives were accelerated by the need to contrast EU-sponsored similar initiatives in the region, as it is the case of the Eurasian Union.

186 Cfr. Tsigankov (2006).

The Commonwealth of Independent States (CIS) is the ancient and broadest organization that links countries of the Former Soviet Union. It was founded in 1991 by Belarus, Russia and Ukraine, that signed the "Agreement Establishing the Commonwealth of Independent States", that sanctioned the dissolution of the Soviet Union and the creation of CIS as a successor entity to it. Some weeks later, with the Alma-Ata Protocol, CIS members grew to 11. The CIS was a framework for cooperation among participant countries, at the economic and political level. The process of integration in the former Soviet Space progressed in the following years, with Belarus, Kazakhstan, Kyrgyzstan and Russia forming a customs union in 1996 that came to be known as the Eurasian Economic Community, or EurAsEC¹⁸⁷. The EurAsEC Treaty created the integration nucleus that now drives the integration in the Eurasian region. At the same time, Russia sponsored projects of military cooperation among CIS countries, and in 2003 it launched the Common Security Treaty Organization. Then, in 2010, Russia, Belarus, and Kazakhstan created the Eurasian Customs Union (ECU). This Union consisted in the implementation of a common external tariff, while customs formalities and customs control at the internal borders were cancelled, and free movement of goods within the three states was ensured. Until now, the integration within the Customs Union has proceeded largely under the conditions imposed by Moscow. The common import tariff that was introduced coincides with the import duties that were in force in Russia. The final aim of this policy is the complete implementation of the Single Economic Space, through the development of a single market and the achievement of the "four freedoms", namely the free movements of goods, capital, services and people within the single market. The natural evolution of this economic integration was the Eurasian Economic Union, that was launched in 2015, and became one of Russian foreign policy priorities. Initially composed of Russia, Belarus and Kazakhstan, it was soon joined by Armenia and Kyrgyzstan.

The Eurasian Union is designed to reach a number of macroeconomic objectives such as reducing commodity prices by decreasing the cost of transportation of raw materials, increasing the return on new technologies and products due to the higher market volume, and promoting "healthy" competition in the common market. It is also designed to lower food prices, increase employment in industries and increase production capacity. A number of basic directions of development were set out in the initial declaration, including the formation of an effective common market of goods, services, capital and labour, common industrial, transport and energy policy, deepening production cooperation, the creation of inter-state financial-industrial groups, funds and other structures, the further convergence and harmonization of national legislation, the development and realization of a common economic policy, transition to agreed parameters of basic macroeconomic indicators of member states, deepening cooperation in the sphere of economic security, creation of a common integrated system of management of borders, harmonization of immigration legislation in the field of movement of labour resources. Ideally, integration in the economic field should be complemented with political cooperation, even though declarations of Nazarbaev have recently shown his reluctance toward the loss of national sovereignty.

At the institutional level, the Eurasian Union is a supranational organization. It allegedly emulates the EU's supranational structures and it works by borrowing European approaches and re-adapting them to Russia and its environment. Like the EU, EEU is based on the voluntary delegation from the nation states of national sovereignty, although it has a four-tiered governance structure that is more pyramidal than the more diffuse decision-making processes in the EU. The highest body of the EEU is the Supreme Council, which is composed of the Heads of State of the Member States and takes decisions by consensus. The Supreme Council determines the strategy, direction and prospects of integration and takes decisions aimed at achieving the goals of the union. The Eurasian Commission is the first supranational institution that appeared in almost 25 years of post-Soviet integration, representing a notable achievement in its own right and a strong

187 More information about the EEU is available at the following link: <http://www.eaeunion.org/?lang=en#about-history>

signal of intent from EEU founding states. Modelled on the European Union, it monitors subordinate branches and advisory bodies of the organization. It takes decisions on the customs policy of the union as well as on the macro-economy, the competition regulations, the energy policy and the fiscal policy of the Union. Regarding the finances of the Union, the budget is formed from contributions by the Union's member states. In 2015, 6 billion Rubles were allocated for the activity of the Eurasian Economic Commission, 463 million Rubles were set aside for financing the operation and further development of the EEU integrated information system designed to promote and inform consumers of the EEU's activities, and over 290 million Rubles financed the activities of the Court of the EEU. Extra expenses of infrastructure and accommodation of commission workers are financed by Russia. In addition, Russia allocated USD\$1 billion to accelerate Kyrgyzstan's entry into the union.

Assessing the economic and political impact of the Eurasian Union is a difficult task. Undoubtedly, as a territory encompassing over 20 million square kilometres and with a market size of just over 182 million people, the EEU represents the most significant development in the region's economic and political landscape since the European Union's eastern expansion in the early 2000s. However, it is difficult to determine its economic performance due to the short time passed since the Union came into effect. Since the establishment of the Customs Union in 2010, trade between member states rose sharply. In 2011, after the introduction of the Customs Union, mutual trade was USD 63.1 billion, more than 33.9% if compared to the previous year. This positive trend is supposed to consolidate thanks to the progressive harmonization and integration of markets. At the political level, the Eurasian Union is certainly the most successful integration project that Russia sponsored in the post-Soviet Space. However, its overall impact in political terms will mainly depend on whether the Union receives international recognition. For the moment, the EU has not yet recognized Eurasian Union and common market and is not willing to take into consideration Eurasian Union when negotiating an agreement with Russia.

5. Compatibility of EU-Russian Strategies and Policies

The most important part of my work is the fifth chapter, that is designed to compare EU-Russian strategies and policies over the shared neighbourhood, in order to assess their level of compatibility. The chapter is divided into three parts. The first one compares EU-Russian strategies over the shared neighbourhood and then it evaluates their level of compatibility. The second one does the same with EU-Russian policies in the region. Finally, the third part analyses the Ukraine crisis as a result of the clash of EU-Russian strategies and policies in the shared neighbourhood.

When comparing Russia-EU approached toward the shared neighbourhood, the first thing to be noted is the different nature of the two actors, that certainly influences their foreign policy choices. The EU is a regional organization with a multilevel system of decision-making where national and collective interests are not always easy to reconcile, while Russia is a traditional power with well-defined and focused foreign and regional interests, which are perceived to be vital for the country's internal cohesion and international projection¹⁸⁸. Therefore, while in general the EU can be considered a normative actor that tends to use soft-power means in its foreign relations, Russia is a realist power that can mobilize traditional state power means.

This difference in foreign policy nature is complemented by different kinds of ties that connect the EU and Russia with countries of Eastern Europe and the Caucasus. For Russia, the Near Abroad was once an integral part of the Soviet Union, and the Soviet heritage still plays an important role in shaping Russian relations with these countries. Moreover, Russia is also linked to these countries for what concerns the structure of its economy, since in the Soviet era the production chains were divided along the fifteen Republics. On the contrary, Europe has not such strong ties

¹⁸⁸ Cfr. Freire (2011).

with these countries, especially with the Caucasus. The area of Eastern Europe acquired importance after the big enlargement of 2004, and the EU considers the region important for EU internal stability as well as for its energy security. These differences in relations with countries of Eastern Europe and the Caucasus contribute to shape the different approach that Russia and the EU have toward the shared neighbourhood.

Comparing EU-Russian strategies in the shared neighbourhood, my conclusions are that their level of compatibility is rather low, especially in the last period. The EU and Russia pursue similar goals in the shared neighbourhood. Both of them want to ensure stability in the neighbourhood and both of them are regional powers willing to use their influence in the neighbourhood to enhance their international status. If the first goal could be pursued in parallelism by the EU and Russia, the results of such initiatives - notably the Common Space on External Security – are rather disappointing. On the other hand, the search for influence on the area of the shared neighbourhood is for definition a mutually exclusive goal and created a logic of bitter geopolitical competition. For both Russia and the EU the shared neighbourhood has become the field to show their role in the international arena. On the side of the EU, the typical normative rhetoric has recently acquired a tougher geopolitical stance, and it clashes with Russian belief that the Near Abroad represents an area of “privileged interests”. As Sakwa (2015) says, the EU wants to shape the neighbourhood according to its own norms and rules, in order to spread democracy, human rights and rule of law as a part of its normative mission. But this would correspond to catch these countries into a sort of “sphere of influence” that Russia cannot accept. Therefore, the EU and Russia are competing to gain influence over the six countries of Eastern Europe and the Caucasus and to bring them close to their own integration project. European and Russian elites have been competing to promote the legitimacy of their norms, political principles and regional approaches (Trenin, 2009). EU-Russia relations thus took a more competitive, zero-sum turn upon the Kremlin’s resolve to push forward with the EEU. The two powers use carrots and sticks as incentives and punishments to encourage neighbour countries to become a part of their regional integration project. The real battle seems to be at the level of benefits that the two countries can give to partners if they agree to be a part of their own controlled area.

Using Sakwa’s conceptualization of the controversy, we can affirm that EU-Russian clash of strategies over the shared neighbourhood has its roots on the different conceptions that the two powers have of the political shape that the European continent should have. This concept is exemplified by the notions of Wider Europe and Greater Europe, that represent the ideal economic and political configuration that the shared neighbourhood should have according to the EU and Russia respectively. Brussels’ Wider Europe lies in a vision of the European continent as organized around a series of concentric circles with the EU at its core and with countries of the periphery – such as Eastern partners – share with the EU everything (markets, infrastructure, regulations and *acquis*) but institutions. On the contrary, Russia proposed the vision of Great Europe, that should consist in two poles in Europe – one led by the EU and one by Russia – that would progressively integrate with each other.

Similarly, if we compare EU-Russian policies in the shared neighbourhood, we can conclude that there are difficultly reconcilable. Both Eastern Partnership and the Eurasian Union are based on the will to integrate the economies of partner countries with those of the EU and Russia. However, if integration with the EU means the stipulation of free-trade agreements and all the prescriptions of the Association Agreements, integration with Russia means becoming a member of an economic union and loosing independence on certain economic decisions. The incompatibility between the two areas is due to many factors. First of all, there are technical issues. Being a member of the Eurasian Union would mean to increase tariffs to harmonize them with the Russian level. On the contrary, entering a free market with the EU would mean lowering tariffs until the EU level. Moreover, if a country becomes a member of the Eurasian Union, it loses its economic independence, and thus it cannot pursue individual economic agreements with the EU. A part from

these technical incompatibilities, that could be easily overcome in triangular talks, more important are political issues. As I said, influence in the neighbourhood constituted an important foreign policy achievement both for the EU and Russia. The two powers are thus unwilling to renounce to their acquired power in neighbouring countries and to share the benefits of the cooperation with the other regional power. This political issue is also linked with the ideational dimension. While the EU demands convergence with its *acquis*, which is claimed to be incompatible with the EEU standards, Russia refuses the value rhetoric and sponsors a state model that is different from that of the EU. For the moment, it seems that three countries of the shared neighbourhood – Georgia, Moldova and Ukraine – have chosen to follow the path of association with the European Union, while Belarus and Armenia have opted for the Russian choice, with Azerbaijan deciding to follow an independent foreign policy.

These tensions were reflected in the Ukraine crisis, that was the result of the long-lasting incompatibility between EU and Russian strategies in the shared neighbourhood. If it started because of the incompatibility at the policy level between Eastern Partnership and the Eurasian Union, and it soon became a broader confrontation between two integration models and two geopolitical areas. As Richard Sakwa writes in his recent book about Ukraine¹⁸⁹, the Ukraine crisis can be seen as the culmination of a broader confrontation between Russia and the West, that has its roots in the asymmetric end of the Cold War, *"in which one side declared victory while the other one was not ready to embrace defeat"*.

Conclusions

As my research demonstrates, the EU and Russian goals over the shared neighbourhood are considerably different, and the shared neighbourhood has become a battlefield for major powers to pursue their international goals. The six countries of Eastern Europe and the Caucasus, if not also Central Asia, have thus become reliant on the dynamics of Russia-EU relations and of their internal and foreign policy constraints and appetites. If in the early 2000s there was still potential for cooperation between the EU and Russia over the shared neighbourhood, their approaches started to gradually diverge in the following year, with the definitive turning points of the war in Georgia and the Ukraine crisis. The latter has exacerbated the climate of mutual distrust and mutual accusations and has shown how the EU and Russia have developed a logic of geopolitical competition in the shared neighbourhood. The incompatibility of their strategies in the region are then transferred at the level of policies, where we also find obstacles for the compatibility of Eastern Partnership and Eurasian Union.

Nevertheless, contentions over the shared neighbourhood do not mean that the EU and Russia have their backs turned on each other permanently. The complexity of European peace and security and the solution of many international and regional issues require joint efforts from Moscow and Brussels. Moreover, the economic and energy ties between the two areas make a return to “normal relations” indispensable. According to many authors, re-engagement of Russia and the EU on political dialogue and pragmatic cooperation over the neighbourhood would be possible under certain conditions. Dialogue and bilateral and trilateral discussions over the shared neighbourhood should be conducted with any possible effort, to re-establish a climate of mutual confidence and, if not cooperation, at least the avoidance of conflict. Only through this cooperation and mutual understanding could we have a real Europe “without dividing lines” and see the realization of the “Common European Home”.

189 Cfr. Sakwa (2015).