THE EU’S EASTERN POLICY: CENTRAL EUROPEAN CONTRIBUTION
In a Search for New Approach

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INTRODUCTION

This policy paper aims, first, to motivate the need for a comprehensive and consistent EU regional policy towards the region of Eastern Europe; second, to identify the most challenging deficits of the existing strategic framework for the EU's relations with its Eastern neighbours; third, to examine both the meaning and consequences of the “ENP Plus” initiative announced by Germany for its EU presidency in 2007; and fourth, to come up with policy recommendations to enhance the EU's capabilities in pursuing its foreign policy goals and/or interests in the region of Eastern Europe. Finally, it seeks to highlight the main arguments for the new member states in general, and the Visegrad countries in particular, to play an active role of in co-shaping the EU's relations with its Eastern neighbours.

At present, the EU applies several separate strategic frameworks for developing its relations with its Eastern neighbours: 1) building four common spaces with Russia within the EU-Russia bilateral framework; 2) the European neighbourhood policy (ENP) concept in relations with Ukraine and Moldova, which also frames bilateral EU-Ukraine and EU-Moldova agendas; and 3) a non-existent framework that is represented by the EU's frozen relations with Belarus. The above three strategic frameworks represent the EU's three different and separate Eastern policy agendas or, in other words, parallel EU policies towards its Eastern neighbours. Does this parallelism serve the EU in the pursuit of its interests in Eastern Europe? Does the EU need three or more, or rather one strategic framework for developing its relations with Eastern European countries? This policy paper aims to motivate the need for both a new and a single strategic framework for the EU's Eastern policy.

Why does the EU need a new Eastern policy? First, the enlargement of 2004 changed the EU as an international actor per se. The EU-25/27 simply cannot have the same foreign policy as the EU-15 had. The EU's relations with its direct neighbours cannot be of the same nature as its relations with its indirect ones. Second, the EU's agenda in Eastern Europe changed as the new member states, and especially those that share national borders with the EU's Eastern neighbours, brought their own national foreign policy agendas into the EU. Third, when one speaks of the EU's policy towards the countries of Eastern Europe, one must understand he/she is speaking of the EU's policy in Europe, not in Asia or Australia or any other continent; the EU's policy towards its European neighbours cannot be the same as its policy towards neighbours of Europe or other countries and/or regions elsewhere in the world.

Fourth, the EU needs some kind of new impetus as a vital European project for Europe of the 21st century in the context of its present “reform mess” following the failure of the institutional reform process in 2005.

This paper argues that the present EU faces four equally important strategic challenges and/or development tasks that must be addressed simultaneously in one breath if the EU is to overcome its present modernization difficulties: 1) institutional reforms; 2) budgetary reforms; 3) the Lisbon strategy; and 4) the CFSP and the EU's role as a global actor. With respect to the last but not least of these challenges, if the EU fails to be an international actor in Europe, it can hardly be a powerful actor in the world. Moreover, the EU cannot be a European modernization project for Europe of the 21st century if it is understood as the project for just a part of Europe. From this point of view, a comprehensive and efficient EU policy towards the region of Eastern Europe and/or a pan-European policy component is an inherent part of the EU's modernization and reform process as such. Relations with no other region in the world have such an important internal dimension and consequences for the EU and its future as a European project.

Why does the EU need a single Eastern policy? First, the EU's key interests in the region of Eastern Europe are of a regional nature, e.g., energy security, combating illegal migration, developing transport infrastructure, improving environmental protection, etc. All agendas that challenge the EU's interests in the region extend beyond the borders of any single East European country. The EU cannot effectively pursue its regional interests in Eastern Europe without applying regional policies under the umbrella of a comprehensive, consistent and single regional strategy. Second, interrelations and interactions between East European countries, e.g., Russia-Ukraine, Russia-Belarus, Ukraine-Moldova, do represent an important factor, affecting both the EU's efficiency and its ability to pursue its bilateral interests vis-à-vis individual countries in the region. Unless the EU is able to address both the regional framework of interactions between regional actors and country-to-country relations in Eastern Europe, it will be less effective in its separate dealings with each of them. Belarus is a good example of such a “toothless” EU policy.

This paper aims to analyze the following most challenging deficits of the existing strategic framework, or rather frameworks, for the EU's relations with its Eastern neighbours as they have been developed over the last eight years since the Amsterdam Treaty came into force in 1999:

1) the discrepancy between foreign policy goals (as they have been re-formulated in the EU's strategic policy documents in consequence of the Amsterdam Treaty) and instruments (since the national TACIS programmes for
Russia and Ukraine for the period of 2002–2006 have not been brought in line with the EU’s re-defined foreign policy goals of the Common Strategies on Russia and Ukraine adopted in 1999;  

2) **inflexible policy planning and programme assistance** (although the Country Strategy Papers on Russia and Ukraine were adopted in 2001, Russia after the Beslan tragedy and Ukraine after the Orange Revolution in 2004 became completely different countries; EU assistance programmes for Russia and Ukraine in 2005–2006 did not reflect these dramatic changes, however);  

3) **strategic and institutional inconsistency** (the EU has developed two parallel concepts for its policies towards East European countries over the last eight years: the first could be considered a **CFSP’1999–2001** concept, developed under the Council’s responsibility starting from the Amsterdam Treaty and Common Strategies on Russia and Ukraine of 1999 through Country Strategy Papers of 2001 and the national TACIS programmes for 2002–2006 at the level of implementation; the other could be considered an **ENP’2002–2004** concept, primarily under the Commission’s initiative starting from the New Neighbours Initiative of 2002 through the Wider Europe concept of 2003 until the present shape of the European Neighbourhood Policy as of 2004. Both concepts have their own parallel implementing instruments and mechanisms. However, the principal question is why they have been not adjusted to each other. Why have the TACIS programmes for Ukraine and Moldova as implementing instruments of the CFSP’ 1999–2001 concept not been adapted to their Action Plans with the EU that are the main implementing instruments of the ENP’2002–2004 concept?); and finally,  

4) **conflict between the regional nature of the EU’s vital interests in the region of Eastern Europe (e.g. energy security, combating illegal migration, etc.) on one hand, and the EU’s existing merely bilateral approach towards the countries of the region on the other.** The practice of the last few years has proved clearly that the EU cannot sustain its vital interests in the region while relying on a merely bilateral approach to and policies towards its Eastern neighbours.  

This paper also examines the main ideas of the “ENP Plus” initiative as announced by Germany for its forthcoming EU presidency in 2007 from the point of view of whether and how this initiative addresses the existing deficits of the EU’s policy/policies towards its East European neighbours. Finally, the paper proposes policy recommendations to overcome existing limitations and to develop a comprehensive and consistent Eastern policy for the EU.  

1. **WHY THE EU NEEDS A NEW EASTERN POLICY**  

1.1. **The enlarged EU as a new international actor**  

The very fact of the EU enlargement in 2004 has changed the EU as an international actor as such. After the 2004 enlargement, the EU faces the challenge of adjusting both its internal institutions as well as its relations with external actors, including East European countries, to its new post-enlargement shape. The EU-25/27 simply cannot operate with the same relationships with external actors as the EU-15 did.  

First, with respect to the EU’s relations with its East European neighbours, it is enough to notice just the geographic fact that the countries of the East European region, the Western Balkans and Turkey are the only countries in the world with which the EU shares a **land border**. With respect to the EU’s Eastern external land border, the Finnish-Russian border, which was the only common land border between the EU-15 and an East European country, grew four-times larger after May 1, 2004. The total length of the land border between the EU-25 and the East European countries (Russia, Ukraine and Belarus) became 4033 km. In January 2007 after Romania and Bulgaria joined the Union, the common land border between the EU-27 and the East European countries became 5014 km long, as it also includes Romania’s land borders with Ukraine and Moldova. The EU’s relations with its direct neighbours cannot be of the same nature as those with indirect ones. The new neighbours have brought new agendas for the EU that must be addressed by new EU’s policies.  

Second, the same is true when it comes to the EU’s **new members**. They too brought their own national foreign policy agendas into the EU. It is completely natural and legitimate to expect that all new member countries will endeavour to accommodate their national interests within the EU’s policy frameworks, including the EU’s relationship with – and policy towards – East European countries. This refers especially to those new member countries that share their national borders with the EU’s Eastern neighbours – the Baltic countries, Poland, Slovakia, Hungary and Romania. This is just about what the EU is in the area of foreign and security policy – an international organization with an institutional framework aimed at facilitating coordination of the “national” foreign policies of its member states within the EU’s CFSP and external relations with non-EU countries.  

Third, the CFSP/ESDP is relatively “young” and a new policy for the EU; none could say that it works at one hundred percent. There are many examples from the recent past
supporting the argument that it does not work. Looking at Eastern Europe, one could refer to the EU’s impotence in dealing with the “European Cuba” on its doorstep in the face of Lukashenka’s regime in Belarus, the inability of the EU members to speak a single “energy language” in Eastern Europe, etc. At the same time, none of the EU member states question the need for the EU’s CFSP/ESDP. The ability of the EU to act as a single international actor on behalf of its 27 member states depends on its further institutional reforms. This is true, but for the same reason, one must point out that the EU can only become a single global player in the world if it first becomes a player at home in Europe. The EU needs a new policy towards Eastern Europe if it is to sustain its prospects for playing a leading role in global affairs.

Fourth, the EU needs a new foreign policy, including a policy towards its Eastern neighbours simply because an international relations agenda is a constantly moving target. The EU in 2006 faces different domestic and external challenges than it did even a year ago. The same is true for its East European neighbours. Russia, Ukraine, Belarus and Moldova in 2006 are not the same countries as they were a year or even a few years ago. From this point of view, any international actor’s foreign policy must also be an evolving concept simply because of the changing international environment.

Summing up, if one accepts the argument that the EU enlargement that took place in 2004 represents an independent variable of the new post-enlargement geopolitical landscape in Europe, one should also accept the argument that the enlarged EU’s most important task as a new actor is to change, or better stated to adjust and develop its new policy towards the East European countries, stressing here in particular the last two words: “European countries” – countries that are not EU members.

1.2. The Eastern policy as the EU’s policy “in” and “for” Europe

Russia, Ukraine, Belarus and Moldova are European countries. This might seem to be just a banal geographic fact, but it has much to do with political challenges that the EU faces on its doorstep at home in Europe. Here one refers to the EU’s agenda in Europe, not in Africa or Asia or other continents. For the enlarged EU, neither Russia, nor Ukraine, nor Belarus, nor Moldova are ever distant countries in terms of geography, history or culture, such as countries in Asia, Africa, etc. Russia, Ukraine, Belarus and Moldova are European countries and the EU policy towards them must be a “European” one – it must be an inclusive policy leading to the unification of the European continent. This does not mean automatically, however, that all European countries in the end must or will be EU members.

By referring to a “united Europe”, one should understand a Europe of democracies that recognize the same political values and in which the same political and economic principles are in place. If this is to be a reality in the future, EU membership will no longer be such an acute issue for European “non-EU” countries. EU membership will no longer be understood by the political establishment of European non-member countries as the only way for their post-communist modernization. Unless this happens, the EU will be challenged by constant pressure on its further enlargement. The current ongoing discourse within the EU that was started in the context of a “Turkey debate” about “where the borders of Europe are” shows that it is understood as a debate about “where the future borders of the EU will be”. Nevertheless, this is a rather confusing debate leading to nowhere. The answer to the question about future “European borders” or “what a united Europe is”, in particular “where does it start from and where does it end” is almost explicitly of a political nature. It must be given first by European non-EU countries, not so much by the EU itself. The EU definitely cannot break away from its “pan-European” agenda, however, which has been an inherent part of its values and purpose from the very beginning of the European integration process in the aftermath of WWII. The existing strategic framework developed so far for the EU’s approach towards East European countries does not meet this challenge in an adequate way.

Otherwise, the post-bipolar Europe will consist of the following two parts: an EU of “simple” democracies and a non-EU Eastern Europe of “managed” ones. East European countries are still facing fundamental problems with their post-communist modernization. In order to understand what happened in Eastern Europe before and after the “colour revolutions” in Ukraine and Georgia, one must return to Russia of 1993. Russia, the EU’s key partner in Eastern Europe with the potential to influence developments in the common EU-Russia neighbourhood, became a “managed democracy” after the political crisis in the fall 1993 that was followed by adoption of the new constitution of 12th December 1993. The constitution of 1993 laid the institutional foundations for the political regime of a “managed democracy” in Russia as it concentrated state power in the hands of the president/Kremlin and watered down the position of parliament. The democratic constitutional doctrine with separation of powers and a system of checks and balances did not become a reality in post-communist Russia. Russia’s post-communist transformation in 1993 took its own course, different from the political transformation in the former communist countries of Central and Eastern Europe. Moreover, a Russia’93-style regime has impressed many authoritarian leaders in post-communist Europe who sought to implement...

In other words, following the political crisis in 1993, Russia became not only an alternative model of post-communist political transformation in the region of the former Eastern bloc, but also the source of an alternative foreign policy to that of the EU and its member countries by supporting authoritarian regimes in the region. No one can doubt the fact that Russia and the EU countries have completely different understandings of events in Ukraine following the 2004 Orange Revolution and in Belarus following the 2006 presidential elections. Europe will remain divided as long as the Eastern European countries are unable to modernize their post-communist regimes and societies. The EU can do nothing but help them on that course. Otherwise, Europe will consist of two different Europe(s) with a growing potential for misunderstandings and eventual collisions and conflicts. “Two Europe(s) in one Europe” is neither a solution for the security, stability and prosperity of the “old continent” nor is it an acceptable state of affairs for the EU, should it have its future as a European modernization project for the 21st century and beyond. If the EU fails to develop an inclusive pan-European policy, it will lose its strategic initiative in Europe, which will sooner or later undermine its internal coherence and functioning.

The above challenge of having two Europe(s) in one Europe predetermines a special and privileged place for East European countries in the EU’s foreign and security policy, which is not comparable to those of other countries or regions in the world. East European countries are priorities for the EU’s Common Foreign and Security Policy. This is why the EU cannot develop its relations with them in the same manner as with other countries or regions of the world. Moreover, as was already pointed out, the EU’s CFSP is simply unworkable without an effective Eastern policy. The EU will never become a real international actor in Europe if it fails to be first an actor in Europe. Moreover, one could argue that a new Eastern policy for the EU is one of the basic preconditions for revitalizing the post-2004 enlargement EU as a “European project” as such.

Once again, the inefficiency of the EU on the international scene will further undermine its internal coherence. It is widely understood that the EU needs some kind of new impetus following the 2005 failure of the constitutional treaty ratification process. The following are the main challenges that will determine the shape and future of the EU in the years to come: 1) institutional reforms – how and when the process of EU institutional reform will be re-launched following its failure in 2005, the sooner the better; 2) budgetary reforms – there is a need for further restructuring of the EU budget, primarily its spending, which has to be brought in line with the development needs of the EU’s member countries in the 21st century; 3) the Lisbon strategy – a series of economic and social reforms in the Union’s member states based on the knowledge economy, and primarily in key European economies such as Germany and France that are so important for the functioning of the Union’s single market and its economic growth; and finally 4) CFSP/ESDP – strengthening the EU’s role as a global actor is the other side of the same coin – making the EU a more coherent and cohesive international organization.

The above four critical points are parts of the same current and challenging agenda for the present EU, which cannot be addressed separately or in successive steps. The EU must address all of them in one breath. One could compare it with a kind of matrix in which all elements are mutually interconnected and no element can be changed without changing another. All these challenges are imperative components of the same process of “restarting the EU” as such. The EU will not be successful if it fails to respond to any of the main challenges specified above. If it fails in dealing with one of them, it will fail in dealing with all of them. With respect to the CFSP/ESDP agenda, once more, if the EU fails to be an international actor in Europe, it can hardly be a real actor in the world.

Moreover, the EU cannot become the European modernization project for Europe of the 21st century if it is understood as a project for only a part of it. From this point of view, a comprehensive, inclusive and efficient EU policy towards the region of Eastern Europe is an inherent part of a modernization and reform agenda for the EU as such. Relations with no other region in the world have such an important internal dimension and consequences for the EU and its own future. That is a critical argument for why the EU needs a new Eastern policy.

1.3. What role new members should play

In order to identify a role for the new members in the EU’s relations with its Eastern neighbours and/or their incentives and qualifications for an active role in this area, it is first necessary to summarize some major implications of their EU membership for their relations with these Eastern neighbours. EU accession gave rise to several factors challenging the national interests of the new member states in comparison with the pre-enlargement regimes of their relations with their Eastern neighbours. In other words,
such arguments should redeem a sort of special qualification on the part of the new member states as compared to the “old” members, both in terms of their political legitimacy as well as their preferable capabilities in addressing the EU’s Eastern policy. However, this consideration also means that the “old” member states recognize factors legitimizing an active role for the new member states in this area.

The following four cardinal factors, or rather four groups of factors, support arguments for an active role to be played by the new member states in the EU’s Eastern policy.

1.3.1. Border sharing and the challenge of Schengen

As already pointed out, Ukraine and Belarus thanks to the 2004 enlargement became direct neighbours of the Union, together with Russia. It is the new member states, not the “old” members that have been developing the EU’s policy towards the Eastern European countries, including the Schengen policy, which are the ones sharing the EU’s new external Eastern border. Border sharing seems to be the first and a natural qualification for a leading role to be played by the new member states of Central and Eastern Europe in the area of the EU’s relations with its Eastern neighbours. The implementation of the Schengen acquis, including the building of respective institutional and administrative capacities required within the EU accession process, helps to solve major difficulties related to the security of the common integrated area of free movement of persons, goods, capital and services. On the other hand, it affects the bilateral relations between the new member states and their Eastern neighbours in a cardinal way, and primarily in the area of people-to-people contacts.

Slovakia’s several years of experience with its visa regime with Ukraine, introduced during the EU accession process in June 2000, shows that there are some additional “Schengen stereotypes” still prevailing in the EU’s “old” member countries, which are more reflective of public moods and perceptions than realities on the ground. For example, the key purpose of the visa procedure – as it is understood in the EU and consequently reflected in the Schengen acquis – is to eliminate risk of illegal immigration. However, Slovak-Ukrainian experience gleaned from the last several “visa years” provide a statistical basis for the following counter-argument: combining a visa regime in bilateral relations between the two countries with the protection of their common border against illegal migration from third countries is in fact unfounded. These are two different problems (legal and illegal migration) and/or agendas that should be treated differently and addressed by different policies and actions. The visa regime has significantly impacted the legal movement of persons through the Slovak-Ukrainian border since its imposition in June 2000, and especially the reciprocal travel of citizens of both countries, but it has had practically no effect on the development of an influx of illegal migrants from third countries (largely Asian ones) on the Slovak-Ukrainian border.

It is in the common interest of the new member countries that experience like this be properly communicated within the EU, as this should lay the foundations for adjusting the Schengen acquis and making it more flexible and reflective of realities on the ground on the one hand, and with the declared goals of the European Neighbourhood Policy on the other. The EU’s visa policy towards its Eastern neighbours should be brought in line with the EU’s strategic interests in the region of Eastern Europe as identified above and its role in Europe as such. The EU’s visa policy towards European countries cannot be of the same nature as its visa policy towards non-European ones.

1.3.2. Responsibility sharing and the challenge of policy ownership

The new member states not only share the EU’s enlarged eastern border, but also – due precisely to this border – the responsibility for implementing the EU’s policies and programmes towards its Eastern neighbours, most of which were developed and applied by the EU prior to May 2004, although without the involvement of the acceding countries. Since May 2004 the new member states have borne the responsibility for a policy that differs profoundly, in terms of defined conditions and applied practices, from their pre-membership national policies and attitudes towards Russia, Ukraine and Belarus, and which even runs counter to their national interests in some areas, in particular as mentioned above in the area of visa policy and bilateral foreign trade regimes. In the course of the accession process, the then candidates brought their visa regimes and foreign trade relations with the East European countries in line with EU requirements having, naturally, to meet the membership conditions, not so much to discuss them. The very fact that the new member states are responsible for implementing policies and programmes developed without their participation, represents a challenge to “democratic political legitimacy” per se. Therefore, a move towards gaining ownership over the EU’s Eastern policy should be viewed as a completely natural and understandable incentive for the new member states.

In addition, Russia, Ukraine, Belarus and Moldova are external actors that are much more present and/or “domesticated” in policy discourse in the new member states than in the “old” ones. In addition to the above changes in their bilateral regimes with the East European countries
due to EU accession and its implications on their national interests, the “communist legacy” of the former Eastern bloc represents another factor which helps to explain why relations with Russia and post-Soviet countries are viewed more sensitively in the new member states, being in the spotlight of domestic discourse. From this perspective, it does not matter so much which particular “East European” issue, and why it is more domesticated and in respective new member countries (Russia in the Baltic states, Ukraine in Poland and Slovakia, Moldova in Romania, etc.); the important thing is the very fact of their domestication. This is both the additional incentive and qualification for the new member states to play an active role in the EU’s Eastern policy.

1.3.3. Pursuing national interests and the challenge of policy balancing

Following the above argument, it is also completely natural that the new member states should want to adjust the EU’s Eastern policy to be more in line with their national interests. A good example of this from the recent past is Finland and its “Northern Dimension” initiative that was adopted in the Union in the second half of the 1990s, and still occupies a significant place in the EU-Russia agenda. This programme aims to improve cross-border and regional cooperation, and deals with the Kalingrad and Russia’s northwest region in particular. It sounds logical – and even reasonable from the new member states’ point of view – to expect that, like Finland and the Scandinavian member states, they too should seek to protect their national interests within the EU’s Eastern policy. In other words, they are interested in reshaping the EU’s Eastern policy in favour of a more intense and structured dialogue, including assistance programmes, with their direct neighbours, especially Ukraine, Belarus and also Moldova.

Following up on the importance of strategic interests (four common spaces: security in Europe and beyond, the concept of the Common European Economic Space, including the strategic EU-Russia energy dialogue, the JHA agenda, cooperation in the areas of education and science, etc.), EU assistance programmes and the intensity of communication as they have been laid out in EU documents and applied in EU political practices – since 1999 at least, EU policy towards Eastern Europe can be defined as a “Russia – partner no. 1” policy. The EU-Ukraine agenda, with respect to its scope, structure and intensity of dialogue, is much less extensive even if one considers developments after the Orange Revolution in 2004. The new members, and especially those that share the new external border of the Union, naturally tend to favour relations with the countries in their immediate neighbourhood. This is one of the main natural implications of EU enlargement on its Eastern agenda, and at the same time it is a new dimension brought into the EU by the new member states. Thus, the new members are qualified to pursue their own national agendas within the EU, even though this could challenge a pre-enlargement concept of the EU’s approach towards its East European neighbours.

1.3.4. Different perceptions and the challenge of policy planning

The way in which internal political processes in Russia, Ukraine and Belarus are understood and perceived in the countries of Central Europe and the Baltic differs – due to long historical, political and cultural experience - from those of the “old” member states in Western Europe. Nevertheless, it is the assessment of internal processes and domestic developments in place in the Eastern European countries that plays a key role in determining the exact objectives and instruments of EU foreign policy towards them. Do different perceptions by the new and old member states matter for the EU’s Eastern policy? One can argue “yes”, first of all because of their importance for understanding what is going on in the East European countries, and consequently for both setting EU goals (policy planning) and instruments (policy implementation) for pursuing EU interests in these countries. Let us illustrate what is at the stake with the following example.

In 2001, the EU passed its Country Strategy Papers (the CSP) on Russia and Ukraine, which assessed the transformation processes and grounds for the EU’s TACIS assistance programmes for years to come. The aim of these planning documents was, first, to assess the political and socio-economic situation in Russia and Ukraine, second, to identify their development needs, third, to formulate the EU’s policy response, and finally, to define priorities for the TACIS programme.

The assessment of Russia in the EU’s CSP of 2001 spoke of “political stability”, while in Ukraine, the situation was said to be “weak and uncertain”. Russia was defined as a consolidated “presidential democracy” while the constitution of Ukraine was said to be “highly presidential”. Reading these statements for the first time, one can see they are quite controversial and unsubstantiated in the CSPs themselves. The constitutions of these countries and Belarus were more or less of the same “highly presidential” nature, particularly in terms of the powers of the Head of State. Both presidents kept, or rather, had been constitutionally authorized to keep the same strong-handed “control” over the government coalition and opposition activities, the media and businesses (in 2001) in the same democratic, or
rather un-democratic manner. The better image enjoyed by the Russian president abroad at that time, as compared to the former Ukrainian president, did not establish the political system in Russia as being more democratic than that in Ukraine. An “authoritative but intelligent” method of governance, contrasted with an “authoritative but unintelligent” one, does not necessarily involve any differences between the political systems concerned. It demonstrates the leaders’ different personal political accomplishments, but not differences between the political systems themselves. In fact, the real conditions were the opposite; pursuant to provisions of the Constitution of Ukraine of 1996, presidential powers were even weaker than those laid down by the Russian Constitution of 1993.

The distinctions found in EU documents assessing the political systems in the East European countries, and which resulted in assistance programmes redistributing hundreds of millions of euros each year within the 2002–2006 period, invokes many questions about the credibility of such policy planning and assistance programming. Successful management of the post-communist transition process – something that is still at the stake in the post-Soviet countries and that the “old” member states simply did not experience – qualifies the new member states to play an active role in the EU’s policy planning towards its Eastern neighbours.

The above four groups of interconnected factors help to explain both the main arguments and qualifications of the new member states for active involvement in co-shaping the EU’s Eastern policy.

2. WHY THE EU NEEDS A SINGLE EASTERN POLICY: DEFICITS OF THE EXISTING FRAMEWORK

Russia and Ukraine were the first countries for which the EU passed the external relations’ Common Strategies – the new instruments of the Common Foreign and Security Policy (CFSP), established by the Treaty of Amsterdam, which entered into force in May 1999. Since then the EU has significantly advanced its external relations with third countries through the respective provisions of the Treaty of Nice, adoption of the European Security Strategy, the Wider Europe concept followed by the ENP, etc. Nevertheless, one can conclude that it has failed so far in bringing the instruments of its external actions in line with declared foreign policy goals.

2.1. Discrepancy between goals and instruments

The EU has declared that it would like the countries in Eastern Europe to be established as stable, open and pluralistic democracies; the EU strategies, however, fail to determine the instruments and policies to achieve such a “value-centred” outcome.

Pursuant to “The European Union’s Role in Promoting Human Rights and Democratization in Third Countries” (as of 8 May 2002), promoting human rights and democratization became a high priority of EU external relations, and any assistance and enhancement programmes relating to third countries were to have such priority. In the 1990s, the “good governance” principle – a pragmatic approach aimed at stabilization of post-Soviet countries – became a high priority of the EU’s relationship with the countries of Eastern Europe. Pursuant to the 1997 Treaty of Amsterdam, and following the advancement of the CSFP since 1999, the EU has perceivably sought for a more “value-centred” approach within its external policy; the reality, however, has not matched this purpose at all.

The Treaty of Amsterdam of 1997 proclaimed human rights to be a cornerstone of the EU’s external policy. The EU Charter of Fundamental Human Rights followed the Treaty of Amsterdam, and the December 2000 Summit in Nice declared it necessary to harmonize EU external and internal policies. The TACIS assistance programmes approved for Russia and Ukraine for 2002–2003, and 2004–2006, however, gave no evidence that any cardinal changes have been made to the “pre-Amsterdam Treaty” pragmatic stabilization approach. According to the TACIS Indicative Programme for 2002–2003, and to that for 2004–2006, the share of resources to be used to promote the development of civil societies in Russia and Ukraine was about 10%
of total EU national assistance. As in the 1990s – prior to the adoption of the EU’s “value-centred” foreign policy planning documents – the rest of the resources were used in promoting so-called “good governance” principles. Did not the structure of assistance approved within the TACIS Indicative Programmes contradict the EU priority regarding its external relations towards third counties proclaimed in the EU treaties and the Communication of May 8, 2002?

An interesting paradox can be seen when observing the development of the EU’s approach towards Russia. In the 1990s, the EU’s external assistance policy followed the November 28, 1991 Council Resolution – before the Treaty of Amsterdam came into force in 1999 – which responded to the breakdown of the Soviet Union and underlined the importance of the good governance and a “state stabilization” principle applied within EU external assistance policy. According to this Resolution, non-governmental organizations should be promoted in partnership countries in order to improve democratization processes there, but NGOs were the EU assistance root recipients only in the event that negotiations with their national governments had failed.

In other words, the EU decided to favour the pragmatic good governance principle – or the external partners’ stability – within its assistance policy, while EU-Russia relations in the 1990s were, on the contrary, determined by strictly value-policy matters – the response of the Russian government to the crisis in Chechnya is an example. Having passed the Amsterdam Treaty, the EU defined its promotion of democratization processes and human rights – value-policy matters – in third countries to be of the highest importance within the CFSP. However, the EU assistance policy has not reflected such priorities at all, as the TACIS assistance programmes passed for Russia and Ukraine for 2002-2003 and 2004-2006 have maintained the assistance allocations of the 1990s. The paradox of this approach lies with the EU’s proclamation of its new “value-centred” relations and approach towards its Eastern neighbours and its simultaneous failure to change the old “pragmatic” policy instruments.

The tension between the good governance principle, or the enhancement of post-communist regimes’ stability, and value politics, or the enhancement of democratization processes and human rights in the countries concerned can be easily discerned in the EU’s policy towards its Eastern European partners from the beginning of the 1990s. Neither the 1999 Common Strategies on Russia and Ukraine, nor the ENP and subsequent documents nor the political practices of the years that followed have addressed the issue of harmonizing these two EU policy principles or the dilemma of which should be of higher priority. Without well-defined implementation instruments, a strategy ceases to be a strategy. The ENPI (European Neighbourhood and Partnership Instrument) for the EU’s new financial perspective 2007–2013 should be seriously discussed in order to meet the ENP goals, but also challenges identified in the EU’s basic treaty in general, and the European Security Strategy in particular.

### 2.2. Bilateral versus regional strategy

Why has the EU so far developed no regional strategy towards the region of Eastern Europe? This is an especially intriguing question since the EU has developed regional strategies towards its Southern neighbours – the Mediterranean Region (the Barcelona Process involves twelve countries) and the countries of the Western Balkans (Stabilization and Association Process). Why does Eastern Europe represent a departure from this rule in the EU’s policies towards neighbouring regions?

#### 2.2.1. A “regional gap” in the EU’s approach

The above question might seem to be just a rhetorical one, but a bilateral approach to Russia and Ukraine prevents the Union from formulating an adequate response to the challenges arising within the strategic Russia-Belarus-Ukraine-Moldova quadrangle in Eastern Europe.

For example, an independent Ukraine has been said to represent an essential key to Europe’s stability and security, and the country is “exposed to Russian economic and political influence” in the EU Country Strategy Paper on Ukraine (2001). However, an individual EU approach to Russia and Ukraine prevents the Union from dealing with the mutual relations of these states, which is of essential importance for the stability of Europe. If a common regional strategy on this issue were to be developed, the correlation within the Russia–Ukraine–Belarus triangle in Eastern Europe could not be omitted. Why does the EU strategy fail to address “Russian influence on Ukraine” even though its independence is considered to be of key importance for the stability and security of the continent? Definitely, the ENP concept does not provide answers to this challenge. It seems reasonable for the EU – if it is to become more able to pursue its own interests in Eastern Europe – to develop a regional policy in addition to the existing bilateral frameworks.

As already stated, having passed the Amsterdam Treaty in 1997 (valid from 1999), the EU defined its promotion of democratization processes and human rights – value-policy matters – in third countries to be of the highest importance within the CFSP. Having in mind all that, why has the
European Union been marginalizing Russia’s support of semi-democratic regimes in Eastern Europe? Russia’s support of the regime of Alexander Lukashenka in Belarus is the most striking example. The EU has frozen its relationship with Belarus since 1997 because of the heavy-handed and undemocratic conduct of the Minsk government. A number of similar situations have arisen in the past when the EU’s interests, such as its relationships with semi-democratic regimes in the former Yugoslavia, and even with that of Slovakia in 1994–1998, differed profoundly from its relationship to the Russian regime. Even though Russia continues to provide such support to some of its neighbours, this support is not addressed by the EU’s Eastern policy in general and its bilateral relationship towards Russia in particular. Why has this “gap” arisen in the EU’s Eastern policy? The EU’s Country Strategy Paper on Russia includes a statement asserting that “the EU seeks to cooperate with Russia in order to promote the democratization of Belarus”, but there are no EU policy instruments in its relationship with Russia to put such statement into practice.

The “impotence” of the EU’s Eastern policy outlined above represents a politically sensitive issue within the CFSP debate between EU member countries. There is a discrepancy between the declared goals of the EU’s foreign policy, which are contained even in the basic EU treaty, and the reality on the ground. If the EU is to be an international actor, sooner or later it should make new regional policy arrangements for developing relations with the East European countries.

### 2.2.2. Why and which sectors to regionalize

A regional strategy in Eastern Europe is needed if the EU is to effectively sustain its interests in certain sectors, e.g. justice and home affairs, energy, foreign trade liberalization, transport, environmental protection, etc. First, if the EU’s eastern borders could be secured more effectively and at lesser expense, the EU could assist the East European countries in developing cooperation in the JHA area. The EU might expend extensive resources securing its eastern borders with Ukraine and Belarus; however, the EU’s eastern borders would be far more secure if the Belarus-Russia and Ukraine-Russia borders were to be brought into line with higher security standards, not to mention improvements in cooperation between the East European countries in the area of readmission. If it serves EU interests, why not initiate cooperation in the JHA area with Russia, Ukraine, Belarus, Moldova and eventually other relevant countries in the region?

Second, since October 2002, the EU-Russia energy dialogue has included the issues of Russia’s supply of energy resources and new oil and natural gas pipeline routes that may eventually cross the territories of Ukraine and Belarus, not to mention existing ones. Both oil and natural gas transits are highly profitable and are directly related to the strategic economic interests of transiting countries. It would be simply politically correct on the part of the EU to involve the other respective East European countries in its energy dialogue with Russia; otherwise this dialogue will take place “over their heads”, which does not make the EU a more transparent and reliable actor in the region.

There are several cases from the recent past that demonstrate the negative consequences of such a mistake. The first one was the case of the so-called Yamal gas pipeline, which was intended to bypass Ukraine and would result in the modification of Russia-Poland agreements signed in the mid-1990s on the Yamal-to-Germany gas pipeline crossing the territory of Poland. Referring to EU attitudes—presented as identical to those of Russia—Russian Gazprom, a gas monopoly concern supported by the Russian government, was trying to get the government in Poland to make compromises serving both its commercial and political interests. The “misunderstanding” which arose over this issue between the EU and Poland, at that time an EU candidate country, could have been avoided if Poland—other candidate countries—had participated in the EU-Russia energy dialogue. Recently, a similar situation occurred in the case of the North Baltic Sea gas pipeline and again a “misunderstanding” arose between two EU member countries—Poland and Germany. In addition, the gas dispute between Russia and Ukraine of January 2006 proved that it is in the EU’s interest to develop a common and “inclusive” energy policy towards all East European countries relevant for EU energy security. The way forward is to regionalize the EU’s energy dialogue with Russia so that it includes Ukraine, Belarus and Moldova. The first move in this direction was signalled during the recent Austrian EU Presidency by Austrian Ambassador to Russia Martin Vukovic who supported the idea of involving Ukraine and Belarus in Russia’s energy dialogue with the EU.

And finally, the EU-Russia dialogue on the creation of the Common Economic Space (CES) also addresses trade liberalization between the two partners. Both Russia and the EU are key foreign trade partners for the countries situated in between – Ukraine, Belarus and Moldova. Why not include them in the CES dialogue? There are also other sectoral policies where a regional approach on the part of the EU would be helpful for the EU and non-EU countries in the region alike. First, this would be a positive move by the EU in the direction of pursuing its interests in Eastern Europe and becoming a more transparent and reliable partner in the region. In sum, it is impossible to replace...
a complex EU regional strategy towards the East European region with bilateral strategies towards particular countries of the region. Owing to the lack of such a regional approach, the EU will fail to give a clear response to questions relating to its declared goals and interests in Eastern Europe.

2.3. The EU’s home deficits

The following are the most challenging home deficits of the EU in areas that have to do first and foremost with the EU’s institutional capacity to plan and implement effective policies towards its Eastern neighbours: 1) inflexible policy planning; 2) strategic inconsistency between the CFSP and ENP frameworks; 3) institutional deficiency between the Council’s and Commission’s responsibilities in the area; and finally, 4) “enlargement fatigue” as a result of the failed institutional reform process.

2.3.1. Inflexible policy planning

As already stated, in 2001 the EU passed the first Country Strategy Papers (the “CSP”) on Russia and Ukraine, which assessed the transformation processes and grounds for the EU’s TACIS assistance programmes to be carried out in the years to come. The European Commission’s Communication on Conflict Prevention from April 2001 defines the CSP as an instrument used to “analyze national conditions and use EU assistance for conflict prevention policies.” Since the end of 2001, CSPs have accompanied the TACIS Indicative Programmes, providing the basis for the allocation of EU assistance and its use by beneficiaries. Pursuant to the CSPs these aim at establishing: 1) cooperation objectives; 2) the EU’s policy response; and 3) priority areas of cooperation.

The very fact of whether the National Indicative TACIS programme for Russia and Ukraine for 2004–2006 follows the CSPs adopted in 2001 seems questionable at best. Russia after the Beslan tragedy and Ukraine after the Orange Revolution in 2004 became completely different from the way they had been in 2001; however, these dramatic changes were not reflected in the EU assistance programmes for these countries in 2005–2006. How could the 2001 CSP on Ukraine identify an appropriate EU policy response to Ukraine after the Orange Revolution in 2004? At the EU-Ukraine Cooperation Council that took place in February 2005, both sides declared their readiness for better cooperation and a more intense dialogue and agenda, including Ukraine’s willingness to advance its domestic reforms and implement EU standards within its ENP Action Plan. Why has the EU in turn been unable to reshape its TACIS programme for Ukraine in order to provide effective assistance to the new Ukrainian government and finally, to promote its own policy goal declared in both the Common Strategy on Ukraine of 1999 and Action Plan of 2005?

The challenge of EU policy planning towards its Eastern neighbours has to do not only with adequate assessment of developments in post-Soviet states as has already been pointed out, but also with a lack of flexibility. If the CFSP and ENP are to be viable policies serving the EU’s interests, their planning mechanism should first be modified to facilitate a flexible EU policy response, including continuous adjustment of its assistance programmes for external partners. The EU cannot plan its policy response towards the countries of Eastern Europe for periods of five years or more in advance. The post-Soviet countries are still facing dramatic political and economic challenges stemming from their post-communist transition. It is almost impossible to reliably predict developments a month in advance in these countries, not to mention a longer time interval.

2.3.2. Strategic inconsistency

The EU’s approach towards the East European countries has passed through two important development stages since the Amsterdam Treaty entered into force in 1999: CFSP’1999–2001 and ENP’2002–2004. In fact, the EU has developed two parallel strategic concepts for its policies towards the East European countries over the last eight years.

The first could be considered a CFSP’1999–2001 Council’s concept. It became possible thanks to the CFSP institutional framework and instruments called into action by the Amsterdam Treaty in 1999. The other could be considered an ENP’2002–2004 Commission concept. It has evolved out of the New Neighbours Initiative of 2002 through the Wider Europe concept of 2003, including common spaces with Russia, and finally, the present shape of the European Neighbourhood Policy of 2004. Both policy concepts have their own parallel implementing instruments and institutional mechanisms for the EU’s collaboration with partner countries from Eastern Europe. However, the principal question is why they have not been adjusted to each other. Why have the TACIS programmes for Ukraine and Moldova as implementing instruments of the CFSP’1999–2001 not been adapted to their Action Plans with the EU that are the main implementing instruments of the ENP’2002–2004?

The Common Strategies on Russia and Ukraine adopted in 1999 and followed by the respective Country Strategy Papers in 2001 aimed at harmonizing the EU’s internal and external policies. In other words, the aim was to harmonize the EU’s TACIS programmes - understood as CFSP instruments - with value-centred EU foreign policy goals
as proclaimed by the Treaty of Amsterdam and subsequent EU documents, e.g., the EU Charter of Fundamental Human Rights, the Nice Treaty, European Security Strategy, etc. In fact, in the course of 1999–2001 the EU has changed the formulation of its foreign policy goals, but not so much the TACIS programmes as already discussed above. The period of 1999–2001 should be viewed as a move on the part of the EU to redefine its international role in both European and global affairs following the “Yugoslav crisis” on its doorstep. The line “Common Strategies (Russia and Ukraine) - Country Strategy Papers – TACIS” does represent the first attempt by the EU to develop a complex policy towards its Eastern neighbours and should be viewed as the Eastern part of the EU’s new CFSP/ESDP concept as such. However, it was soon replaced by the new ENP concept.

The existing shape of the European Neighbourhood Policy (ENP) of 2004 is an outcome of the debate during the period of 2002–2004 starting from the New Neighbours Initiative (2002) and the Wider Europe concept (2003). The aim of the ENP was, first, to adapt the enlarged EU to its enlarged neighbourhood, and second, to support the transformation process in neighbouring countries in line with EU standards, but outside the Union. The ENP applies the instruments of the EU’s enlargement policy towards neighbouring countries, but without a membership perspective. Nevertheless, the main ambition of the ENP is to go beyond the horizon of the CFSP since ENP countries are given the prospect of participation in the EU’s integrated area of four freedoms if they implement the respective EU acquis. Commission ex-President Romano Prodi, who said that the EU is ready to share with its neighbours “everything, but its own institutions”, expressed the main idea of the ENP in a magnanimous way. The ENP was developed as a universal “modernization” policy framework making no distinction between the EU’s neighbours in the South and East. When it comes to Eastern Europe, the ENP concept that was applied to Ukraine, Moldova and the Caucasus countries has been supplemented in a parallel way by a common spaces concept for building EU relations with Russia not necessarily based on exporting the European acquis.

While the main implementing instrument of the EU’s first CFSP 1999–2001 strategic framework for its Eastern neighbours was the TACIS programme, the main implementing instrument of the second ENP 2002–2003 strategic framework for ENP countries were the Action Plans between the EU and the countries concerned. The problem is that the TACIS instrument of the “old” CFSP was not adjusted to that of the “new” ENP – the Action Plan. The TACIS programmes for ENP countries during the years 2004–2006 have been carried out according to the EU’s priorities and a “policy response” formulated still in the Country Strategies Papers adopted in 2001 (!). For instance, Ukraine started to implement its EU Action Plan in 2005 without referring to the TACIS programme or utilizing its resources to meet the goals of the Action Plan. In 2005–2006, the TACIS programmes and the Action Plans became parallel and separate instruments of the EU’s relations with ENP countries in the region of Eastern Europe.

In other words, there is a discontinuity between the two strategic frameworks developed over the last eight years for EU policy towards its Eastern neighbours – both at the level of planning and implementation. Why have the instruments of the EU’s CFSP concept 1999–2001 not been resumed in that of the ENP’2002–2004? Why does the ENP not represent a follow-up to the CFSP from the 1999–2001 period in the area of EU relations towards the East European countries? The ENP is treated as a completely new “external relations” concept with respect to what was specified in the CFSP’1999–2001. The EU’s strategic inconsistency in its policy towards the East European countries represents one of the weakest points of the EU’s CFSP as such.

### 2.3.3. Institutional deficiency

The strategic inconsistency between the CFSP and ENP in the EU’s policy towards its East European neighbours is not only the result of inadequate policy planning on the part of the EU, but it is also the consequence of the EU’s deficient institutional framework of the in this area. While the CFSP’1999–2001 concept was developed under the responsibility of the Council, namely the Secretary General and the EU’s High Representative for the CFSP, the ENP’2002–2004 concept fell under the competence of the European Commission and the Commissioner for External Relations and ENP. This institutional “division of labour” was one of the reasons why the ENP policy did not incorporate the CFSP instruments.

The Neighbourhood Policy was intended from its very beginning as a sort of compromise between the EU’s foreign and enlargement policies. As already quoted, ex-President Romano Prodi declared the EU’s readiness to share with its neighbours “everything, but its own institutions”. The said “everything” implied nothing to the neighbours but eventual access to the EU’s common market and its four freedoms if they chose to implement respective European acquis. For example, if Ukraine were to implement the European acquis through its Action Plan, it could gain access to the EU market or some its sectors, provided of course that it becomes a WTO member. In this way, Ukraine would participate in an integrated space of the EU or part thereof, but without access to EU institutions and its decision-making process. Since the ENP has a potential impact on EU communitarian
policies, it falls under the competence of the Commission and the European Commissioner for External Relations and European Neighbourhood Policy. In the end, an important agenda of the EU’s relations with its Eastern neighbours was extracted from the portfolio of the Council and the EU High Representative for CFSP. Consequently, the EU started to implement a two-track policy “on” and “in” the region of Eastern Europe. In this way, it becomes more understandable why and how the discontinuity between the CFSP’1999–2001 and the ENP’2002–2004 has emerged in this area of EU policy.

The division of competencies between the Council and the Commission with respect to EU policy towards its Eastern neighbours is not a good institutional solution for the EU or for the countries concerned. The Council, which derives its legitimacy from the member states, should be given the authority to make strategic decisions regarding the agenda of the CFSP, including such communitarian agenda and/or agendas that are important for efficient crafting of EU foreign policy. Since the ENP has been understood from its very beginning as the policy of “non-membership”, it seems logical that it should fall under the primary competence of the Council. Any further EU institutional reform in general, and in particular reform of those institutions that participate EU foreign policy planning, should take into account the lessons learned from the EU’s relations with its Eastern neighbours in the period of 1999–2004.

2.3.4. Foreign versus enlargement policy

The institutional tension between the CFSP and the ENP within the EU in the area of relations with its Eastern neighbours manifests a substantial dilemma in EU external policy as such: the determination of where the EU’s enlargement policy ends and where its foreign policy begins. Well-known are expressions that the most successful EU foreign policy is precisely the enlargement policy or that the EU has no foreign policy at all, but rather merely one of enlargement. The dilemma between the EU’s foreign and enlargement policies is a “false dilemma” since the Union has both of them.

“Enlargement fatigue” is a prevailing mood in the present-day discourse within the EU when it comes to the prospects for its relations with its neighbours. Following the big-bang enlargement of 2004/2007 and the failure of the institutional reform process in 2005, critics of the enlargement policy have argued that the EU must cease further enlargement and start to develop no more than a classical foreign policy towards third countries. The best collection of anti-enlargement arguments was raised during the so-called “Turkey debate” on the eve of the EU’s decision on whether or not to initiate accession talks with Turkey in 2004.

However, the question is: what would the gains and losses for the EU have been if its decision on Turkey in 2004 had been negative? It is difficult to identify any gain for the EU if such decision would have been taken; however, it is easy to identify the EU’s potential losses in such a case. First, the EU would have lost its strategic initiative towards this strategically important country; second, instead of a country contributing to the EU’s security, Turkey would gradually be changing into a country challenging the EU’s security; third, the EU would have missed a chance to contribute to Turkey’s modernization in line with European standards; and finally, the EU would have lost instruments and resources to pursue its own foreign policy interests with respect to this country. Why should the EU retreat from its enlargement policy if it is instrumental for achieving the Union’s foreign policy goals?

There was a turning point in the history of the EU when the enlargement policy became part of its foreign policy. The accession of three relatively poor South European countries in the 1980s – Greece, Portugal and Spain that not long before had experienced totalitarian regimes – had a profound impact on both the institutional framework and financial arrangements within the then European Economic Communities (EEC), including further policy in the area of enlargement. First, it pushed the EEC to seek a new institutional framework, which ultimately resulted in the adoption of the Maastricht Treaty (valid from 1993) which transformed the EEC into the European Union. Second, the accession of economically less-developed and relatively poor countries forced the Union to develop new solidarity instruments in order to maintain the political stability and economic prosperity of its new members. As a consequence of this, the EU developed its structural funds policy, representing one of the EU’s most important achievements since the very beginning of the European integration process. Finally, the accession of the three South European countries brought a new dimension into the Union’s external policy; the Union became a key international actor in Europe by exporting prosperity and stability to countries seeking freedom and democracy. At the very least one can say that the accession of Greece, Portugal and Spain prepared the Union mentally and politically for its present role in Europe, providing an understanding of its foreign policy goals, its further enlargement policy and, in particular, the admission of the group of 8 post-communist countries in 2004. Why should the EU resign on its own mission and purpose?

The EU is and should remain primarily a “modernization and integration project for Europe in the 21st century and beyond” by exporting democracy, stability and prosperity to its neighbours. The dilemma between the EU’s foreign
and enlargement policies is a false one. The EU never has been and only with great difficulty could become a classic foreign policy actor, and this is why its foreign policy cannot be a classic one. In other words, the EU’s enlargement policy is an inherent part of its foreign policy. In the end, there is no contradiction between them.

3. Germany’s “ENP Plus” Initiative

Germany will assume the EU Council presidency during the first half of 2007. Its political representatives have announced four priority agendas for their country’s presidency, in which they plan to undertake new initiatives and develop EU policies: first, the constitutional treaty; second, economic dynamism and social responsibility, including energy policy; third, justice and home affairs; and fourth, external relations and the CFSP. As State Secretary Reinhard Silberberg has voiced it, a part of the fourth “CFSP” priority for Germany is to develop an attractive overall policy under the name of a new EU Ostpolitik that would include three major components: the ENP, Russia and Central Asia. Foreign Affairs Minister Frank-Walter Steinmeier has sent out a request to the December 2006 European Council for a mandate “to develop and deepen the Neighbourhood Policy”.

In mid-2006 the Planning Department of the German MFA elaborated a proposal under the title ‘ENP Plus’. Even though the document has not been published officially, certain media have reported in detail on the main theses and ideas proposed by Germany for a reshaped ENP policy.

3.1. Main theses and ideas

Germany’s ENP Plus proposal aims at developing the EU’s policy towards its Eastern neighbourhood, geographically identified as the area between the EU and Russia and/or in other words “Eastern Europe and the Caucasus”. It consists of the following six theses:

The first thesis discusses the of an emerging integration and security vacuum on the EU’s doorstep in the area starting from Ukraine and extending to the Caucasus. It calls for more active EU engagement in this neighbouring area, since the EU has been more of a passive observer than an active player in the geopolitical rivalry between Russia and the U.S. in the context of the recent colour revolutions and dramatic changes in certain countries of the region.

The second thesis identifies the need to reshape the ENP in order to strengthen its appeal to countries in the Eastern Europe and Caucasus region that are willing to follow the European model of transformation. It concludes that the existing ENP proposal to develop closer relations with the EU through a voluntary adoption of the EU acquis is not attractive enough. There is a need on the part of the EU to come up with an interesting new incentives proposal to neighbours in order to strengthen their reform and approximation processes.
The third thesis states that enhanced engagement in the region on the part of the EU would be in the interest of both the EU and Germany. The EU’s aim is to ensure the sustainable democratisation, stabilisation and modernisation of its Eastern neighbourhood. If the EU wants to advance its ENP policy, it must consider the peculiarities of both the Eastern Europe and Caucasus region and individual countries. The thesis also points out that the EU should apply a balanced and flexible regional approach towards Eastern Europe and the Caucasus in a similar way to that applied to its Southern neighbours within the Barcelona Process. Finally, the EU must work together in the region with the U.S. and Russia.

The fourth thesis identifies the need to escape the binary logic of the EU’s accession/non-accession dilemma with its Eastern neighbours. The EU can offer real incentives to these countries in the area of their transformation and approximation processes, but this is all for the time being. In any case, the EU should aim towards different treatment and stronger engagement of its European neighbours than of the neighbours of Europe.

The fifth thesis presents a concept entitled “Partnership for Modernization between the EU and Eastern Europe and Caucasus” which the EU could offer to all countries of Eastern Europe and the Caucasus, namely Ukraine, Moldova, Georgia, Armenia, and Azerbaijan, and also Belarus if it meets the necessary preconditions. The Partnership for Modernization concept rests on the following five pillars: The first are sectoral agreements that would serve as a tool to broaden the EU’s legal area by exporting its acquis to countries of the region. Unlike the existing Action Plans that assume a voluntary approximation of the EU acquis by ENP countries, sectoral agreements would have a binding character. They could be concluded either between the EU and a single respective country in a bilateral format or between the EU and several or all countries of the region in a regional format. There are some priority sectors in which the harmonization of legal frameworks between the EU and its Eastern partners would serve the interests of both sides, e.g. energy, environmental protection, transport infrastructure, justice and home affairs, etc. The second is financing: the EU should attract new financial resources in support of the EU-Eastern neighbours projects being implemented within sectoral agreements. EU budget resources should be combined with credits from international institutions and banks. The third is institutional engagement: countries which will conclude sectoral agreements and implement the EU acquis in the respective sectors should be given the status of observers in the EU institutions responsible for those sectoral policies. In addition, the EU and its Eastern partners could create an institutionalized regional political dialogue on issues related to democracy building, support of civil societies, etc. The fourth is regional cooperation: creation of regional formats for cooperation with emphasis on the Black Sea Cooperation, following the model of the Northern Dimension. The fifth pillar is political cooperation in the area of the CFSP/ESDP through intensive consultation and development of common positions.

The sixth thesis elaborates on Germany’s intent to give an impulse to the development of the EU’s ENP during its presidency with support of the G-8 whenever possible. Germany’s ambition during its presidency is to contribute to the formation of a coherent and enhanced EU Ostpolitik with three basic components: 1) re-negotiation of the new EU-Russia agreement, 2) initiating the Partnership for Modernization of Eastern Europe and Caucasus, and 3) formulation of the EU’s strategy on Central Asia. Finally, the thesis points out that Germany will look for constructive engagement with Russia in the EU’s policy towards Eastern Europe/Caucasus and Central Asia.

3.2. Pros and cons

An assessment of the ENP Plus theses from the perspective of the existing strategic framework for the EU’s relations with its Eastern neighbours, and especially the above analysis of its deficits, allows for the following conclusion: if the ENP Plus initiative becomes a reality it should be viewed as a positive step in the direction of a more consistent and more efficient EU policy “towards” and “in” Eastern Europe. However, there still remain challenges and open questions that the ENP Plus initiative does not address. Let us summarize the pros of the ENP Plus proposal.

First, Germany’s ENP Plus proposal makes a clear distinction between European neighbours in the East and neighbours of Europe in the South. It calls for a more robust EU policy and more engagement in its Eastern neighbourhood as well as greater interaction with the countries of the region. The EU’s policy in Europe certainly must not be the same as the EU’s policy in Africa or Asia. From this standpoint, the ENP Plus initiative places the region of Eastern Europe in a qualitatively new and correct position on the EU’s political map. Moreover, one can observe that this is the first time this has happened in the present history of the EU’s external relations.

Second, the ENP Plus proposal addresses the weakest point of the existing strategic framework for EU policy towards its Eastern neighbourhood, namely its exclusive bilateralism in relations with its Eastern neighbours. The bilateral approach has been a hindrance to the EU in dealing with both regional
Third, sectoral agreement as it is characterized in the ENP Plus proposal – understood as a new instrument for the EU in its relations with its Eastern neighbours – is an excellent sample of what the substance of EU foreign policy is; it could hardly work without its “enlargement” and/or “integration” component. Sectoral agreement as a tool for exporting the EU acquis to the Eastern neighbourhood would serve both the modernization of the countries concerned and the EU’s regional interests in certain key sectors. Certainly the EU’s foreign policy could not function in Eastern Europe without this component. The modernization of post-communist Eastern Europe in line with the European model is a vital interest of the EU and sectoral agreement, understood as a tool for expansion of the EU’s legal area, will serve this purpose. It should be pointed out once again that sectoral agreements as proposed by Germany’s ENP Plus initiative represent an exemplary case of unison between the EU’s foreign and enlargement policies as the same policy. This is very important in the context of the ongoing EU debate over where its enlargement policy ends and where its foreign policy begins.

Fourth, the ENP Plus and its sectoral agreement instrument assume an important change in the present EU’s ENP policy. The binding sectoral agreement is supposed to change the voluntary character of the “classic” ENP Action Plan in that an ENP country would decide “how much” of the EU acquis and in which sectors it will implement. What would constitute a real change in this respect is that sectoral agreements are envisaged as being binding documents for both sides, including the EU. This circumstance would completely change the EU’s present voluntary approach towards its Eastern neighbours within the existing ENP framework. It is enough to say that the European Commission is yet not ready to give its assessment on Ukraine’s performance in meeting the goals set out in its Action Plan. Without a response from the EU, there is no way for an ENP country to know how to adjust and develop its activities in order to meet the goals of its respective EU Action Plan. In other words, the present ENP has created two worlds that exist in parallel or, stated differently, a single world of “unreturned love”. On one side there is an ENP country, which appeals to the EU in order to attract its love; on the other there is an “unresponsive” EU which merely observes the actions of an eventual suitor without any responsibility to react. The binding sectoral agreements would change this blind alley of the present ENP.

These are the main positive aspects of the ENP Plus proposal, providing solutions to some of the most challenging deficits of the EU’s present policy towards Eastern Europe. However, there still remain questions that are not addressed by the ENP Plus proposal.

The first concerns the political geography of the ENP Plus proposal; since there is no Eastern Europe without Russia. ENP Plus does not provide a solution for how to develop a single “European” Eastern Policy. As German representatives have presented it – referring to the EU’s Ostpolitik – ENP Plus has three components: Russia, Eastern Europe/Caucasus and Central Asia. However, that contradicts their statement that the EU’s approach towards its European neighbours must be different from its approach to neighbours of Europe. Central Asian countries are neither European neighbours nor neighbours of the EU at all. The EU needs a single coherent European Ostpolitik towards its East European neighbours. What is still missing is a single strategic framework for developing the EU’s relations with Ukraine, Belarus, Moldova and Russia.

The second question concerns Russia’s engagement in the EU’s ENP. The ENP Plus initiative calls for active and constructive engagement on the part of Russia and for an EU-Russia partnership in the common neighbourhood (Eastern Europe/Caucasus); however, it says almost nothing about how to achieve such an arrangement. Russia’s engagement in the EU’s ENP is an important issue that sooner or later must be addressed. Nevertheless, equally challenging is the issue of how to engage ENP countries in the EU-Russia common spaces dialogue. Why are the EU-Russia spaces not also common for their common neighbours? Neither the presented Ostpolitik concept nor the ENP Plus proposal responds to this challenge. It is important to stress that the EU has not even raised such a question yet. If the EU’s Eastern policy is to be a successful project, it should first find a way to bridge its Russia and ENP policies in the region of Eastern Europe.

The third question follows the previous two. The ENP Plus proposal does not provide a solution for how to make the EU an actor in East European regional or country-to-country interrelations. For example, if Ukraine signs a sectoral agreement with the EU in the area of energy and implements all EU acquis in this sector, this does not create a political mechanism enabling the EU to deal with or to prevent an eventual “gas dispute” between Russia and Ukraine in the future that might threaten the EU’s interests. On one hand, the EU has a legitimate interest in ensuring
stable natural gas supplies from Russia through Ukraine; however, it does not have any political instrument to make itself a player in this Russia-Ukraine agenda, which is so important for the EU’s energy security. The EU can identify its interests in the region of Eastern Europe, which is about how foreign policy begins; however, it also needs regional policy instruments to be able to assert them. Unless the EU’s Russia agenda is bridged with that of the EU’s ENP in the region of Eastern Europe, the EU will not become an East European player. The German proposal for an EU Ostpolitik does not meet this challenge.

The fourth question concerns strategic consistency between the ENP Plus concept and that of the present ENP. It is not clear what will happen with the “old” ENP instrument – the Action Plan – if the EU opts to implement its “new” ENP Plus instrument – sectoral agreements. What will be the relationship between them? Ukraine will complete its Action Plan in 2007, for example; what will its future be? Are sectoral agreements to replace the Actions Plans in the years to come? If so, the ENP Plus will become a completely new strategic framework for the EU’s policy towards Eastern Europe – a third one after CFSP’1999–2001 and ENP’2002–2004. The EU could conclude sectoral agreements with ENP countries on energy, transport, etc. which might be helpful for ENP countries in their sectoral modernization. However, how can one conclude a sectoral agreement on democracy building or the political modernization of the ENP countries? The Action Plan might not be the best instrument for the EU, but it addresses the principal political agenda in the EU – the ENP country relationship; it is not clear how the ENP Plus is to handle this. What to do with Action Plans is a crucial question for the EU’s ENP, and there is no clear answer on this in the ENP Plus proposal. Is the EU to retreat from its task of assisting ENP countries in their political modernization? Should the ENP Plus introduce a new instrument (sectoral agreements) and ignore the main instrument of the present ENP (the Action Plan)? If so, there is already a precedent in the recent past when the EU developed its ENP concept in 2002–2004 with the Action Plan as the new instrument when it ignored the existing instrument (TACIS) of the previous CFSP’1999–2001 concept. In following this route, the EU would introduce its third strategic framework for relations with its Eastern neighbours in the last eight years. In order to prevent “never-ending” strategic inconsistency in this area, the ENP Plus needs to be adjusted to accommodate the present ENP.

Finally, the sixth question concerns the ENPI in the context of the ENP Plus proposal. The ENP Plus initiative does not elaborate how to use the ENPI instrument to meet the EU’s goals in Eastern Europe. The EU must learn from its experience with TACIS if it intends not to repeat old mistakes. First, the structure of the ENPI’s budgeting and its programme priorities should be adapted to the EU’s value-centred foreign policy goals in the region of Eastern Europe; second, the ENPI must allow for flexible planning of EU policy responses to its Eastern neighbours in the years to come. Germany will be the first EU member country to assume the EU presidency in the new financial 2007–2013 budget period. It is the right time to start planning for the years to come.

The fifth question has to do with what seems to be an incorrect assumption in the ENP Plus proposal, namely that there is a threat of an emerging integration and security vacuum in Eastern Europe and the Caucasus. First, Russia, Belarus and Kazakhstan will be ready to sign a package of 85 agreements establishing a customs union within the Common Economic Space (CES) at the beginning of 2007. Ukraine is under pressure from Russia to join the CES, including the customs union, before it enters the WTO. If Ukraine agrees, Moldova and other countries in the region will not have so many options for manoeuvring. In other words, there is no integration vacuum in Eastern Europe, but rather an ongoing process of integration within the CES. If this were to happen, the EU and an ENP country could not negotiate a free trade agreement. At the same time, such and agreement is considered, e.g. in the case of Ukraine, to be essentially a key aspect of the new “enhanced” EU-Ukraine agreement. How could the sectoral agreements of the ENP Plus function as modernization instruments in Eastern Europe if the main incentive of the ENP – access by ENP countries to the EU’s common market or part thereof – were to become impossible? If this happens, there will be two integration spaces in Europe, the EU and the CES, or in the future a “Eurasian Union”. Perhaps sectoral agreements could help to implement certain large EU-Eastern neighbour infrastructure projects, but they would nevertheless lose their political modernization purpose and would no longer strengthen the EU’s role in Eastern Europe.
4. POLICY RECOMMENDATIONS

The following are three key policy recommendations based on the above analysis and aimed at improving the strategic framework for the EU’s policy towards Eastern Europe:

- The EU needs to develop a two-level strategy for its policy towards its Eastern neighbourhood. The existing bilateral framework should represent the first level for the EU’s relations with individual East European countries and a new regional framework and/or frameworks for the EU’s policy towards Eastern European region should represent the second one. The ENP should preserve and further develop the existing instrument for its bilateral interaction with Eastern ENP neighbours (the Action Plan). The Action Plan should be viewed primarily as an instrument facilitating collaboration between the EU and a respective ENP country in the area of political modernization and democratic institution building, while a new instrument proposed by the ENP Plus initiative (sector agreements) should serve both the EU’s interests in the region and sectoral modernization of ENP countries. The bilateral EU-ENP country framework must be open to the eventual integration of an ENP country into the EU, while the regional framework should serve the EU’s foreign policy interests in the region. In this way, the ENP Plus initiative will represent an important development and follow-up to the present ENP. The combination of the EU’s foreign and enlargement/integration policies (at least an “open door” policy) within such a two-level strategy is the only way for the EU to both assist its Eastern neighbours in their post-communist modernization along the lines of a European model as well as strengthen its role and/or presence in the region of Eastern Europe.

- The EU should aim at finding a way to bridge its ENP policy in Eastern Europe with its common spaces agenda with Russia. Otherwise, the EU will not become a real player capable of pursuing its own interests in the region and addressing country-to-country relations that have an important impact on EU interests. Regional policy instruments and/or cooperation formats with participation of the EU, ENP countries and Russia are still missing. A workable way to develop these could be the ENP Plus initiative. The regional sectoral policies proposed by the ENP Plus initiative and based on sectoral agreements with ENP countries could lay the foundations for institutionalized regional sectoral dialogues with ENP countries plus Russia as their superstructure. Another way would be by creating such a regional format for a dialogue between the EU, ENP countries and Russia along the lines of the EU-Russia common spaces. Many would say that Russia would never accept such an expanded and regionalized format for its dialogue with the EU. It is up to Russia to decide on its position; first, however, it is more important to determine what the EU considers essential from the point of view of its own interests. This is about how foreign policy begins and what it is in the end. It is up to the EU to pursue its interests in the region if it wants to be a foreign policy player in Europe. Russia cannot decide for the EU what is better or worse for the Union and its member states. Moreover, the German ENP Plus initiative calls for constructive engagement with Russia in the EU’s ENP policy in Eastern Europe without any specifications. Such institutionalized regional “EU plus ENP countries plus Russia” dialogues, at least in sectors where the EU has a vital interest (e.g. energy security, combating illegal migration, etc.) could be a way to overlap the EU’s ENP with its common spaces agenda with Russia.

- The EU should revise the structure of the former TACIS allocations and redefine its assistance priorities within the European Neighbourhood and Partnership Instrument (ENPI) for 2007–2013 in order to harmonize its assistance programmes with the goals of both the CFSP and ENP. As already mentioned, the Treaty of Amsterdam of 1997 proclaimed the promotion of human rights to be a cornerstone of the EU’s external policy. The EU Charter of Fundamental Human Rights followed the Treaty of Amsterdam, and the December 2000 Summit in Nice declared it necessary to harmonize EU external and internal policies. Within the TACIS Indicative Programmes for Russia and Ukraine in 2002–2003, and 2004–2006, the share of resources to be used to promote the development of civil society in Russia and Ukraine was about 10% of total EU assistance. This should be changed if the EU’s declaration that democracy and human rights are a foreign policy priority is to be taken seriously. The Union should fundamentally redefine its assistance priorities in East European countries. In order to strengthen democracy in these countries it should aim at assisting those institutions and domestic actors whose roles are undermined by the regimes of managed democracy. In other words, EU assistance should be directed primarily towards improving the system of representative democracy. First and foremost this concerns the role of parliament and political parties. Secondly, it concerns support for real NGOs and a “non-virtual” civil society. Thirdly, it relates to sustaining free and independent media. Fourthly, it involves building and promoting an independent judiciary and the
adherence of state institutions to the rule of law. Fifthly, it concerns protecting private property against the whims of the bureaucracy and state nomenclature. And finally, it pertains to promoting both anti-corruption measures and public education in terms of mediating the knowledge that in a “simple democracy” the state and its administration must serve its citizens and not vice-versa.

1 In speaking about the EU’s Eastern neighbours and the region of Eastern Europe, this paper refers first of all to the EU’s relations with those East European countries that share direct borders with the EU, namely: Russia, Ukraine, Belarus and Moldova.

2 Interfax, February 13, 2006.


4 “Berlin entwickelt neue Nachbarschaftspolitik fuer die EU”, Frankfurter Allgemeine Zeitung, July 2, 2006; “Poyas bezopasnosti diya suverennoj demokratii”, Nezavisimaya gazeta, August 9, 2006, and some others.