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# **BULLETIN**

# Russia's Invasion of Ukraine Casts New Light on Debate about the Eastern Partnership

Elżbieta Kaca

Changes in EU relations with the countries of the eastern neighbourhood resulting from Russia's aggression against Ukraine have undermined the legitimacy of the Eastern Partnership (EaP). Belarus has decided to deepen its integration with Russia, while Ukraine and Moldova have lost interest in this format, aiming to open accession negotiations as soon as possible. In order to modify the EaP, the EU should gradually integrate candidate countries into EU policies and help interested partners in the field of security. It will be crucial for the EU to ensure effective implementation of economic assistance and to further support the development of civil society in all EaP countries.

In response to Russia's invasion, the EU has been providing Ukraine with humanitarian and economic support, as well as with military assistance. In June this year, it granted Ukraine and Moldova the status of EU candidate countries and declared its readiness to offer this status to Georgia on the condition it implements good governance reforms. This triggered a debate on the future of the EaP, which covers the EU's relations with these countries as well as with Armenia, Azerbaijan, and Belarus. In August, an informal meeting of foreign ministers of Member States and Ukraine, Moldova, and Georgia took place to discuss, among others, the EaP, followed in November by a meeting with Sviatlana Tsikhanouskaya on EU policy towards the Lukashenka regime and support for Belarusian society.

EU Relations with EaP Countries in Light of the War. With the status of EU candidates, Ukraine and Moldova are covered by the enlargement policy procedures. To open accession negotiations with the EU, they must meet several conditions and then the Member States must unanimously agree to start the talks. The EU will link the implementation of the reforms required in Ukraine's accession process with its reconstruction, based on <a href="mailto:new financial and coordination mechanisms">new financial and coordination mechanisms</a>. The EU's priority is to provide military and humanitarian aid to Ukraine, as well as long-term loans (€18 billion declared by the EU to be released in 2023). As for Moldova, it is urgent to resolve <a href="mailto:the the talks">the talks</a>. The EU's priority is to provide military and humanitarian aid to Ukraine, as well as long-term loans (€18 billion declared by the EU to be released in 2023). As for Moldova, it is urgent to resolve <a href="mailto:the talks">the talks</a>. The EU's priority is to provide military and humanitarian aid to Ukraine, as well as long-term loans (€18 billion declared by the EU to be released in 2023). As for Moldova, it is urgent to resolve <a href="mailto:the talks">the talks</a>. The EU's priority is to provide military and humanitarian aid to Ukraine, as well as long-term loans (€18 billion declared by the EU to be released in 2023).

Russia, which has been ongoing since autumn 2021, resulting in gas shortages, high electricity prices, and inflation rising to over 30% in November this year. This makes it difficult for the pro-European authorities to implement reforms and is one of the factors reducing public support for the government. The EU has so far provided assistance in the amount of €210 million to cover, for instance, gas purchases, and in November it declared another support package of €250 million. Importantly, in order to improve the economic situation, the EU accelerated the integration of Ukraine and Moldova with the EU internal market (see Table).

EU relations with Georgia remain at an impasse due to the reluctance of the Georgian authorities to implement reforms and to resolve the political conflict between the ruling Georgian Dream and the opposition. Nevertheless, integration with the EU and NATO remains the main direction of Georgian foreign policy, and the EU enjoys the support of over 80% of Georgians. The authorities are particularly interested in increasing EU aid in the field of infrastructure and investment.

For both Georgia and Moldova, maintaining good relations with the EU remains important due to their security situation. Russia has military bases in Abkhazia and South Ossetia and troops stationed in Transnistria, which can enable a rapid Russian offensive in these countries. Both

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Georgia and Moldova have low defence capabilities and therefore expect increased EU assistance in this area.

If it comes to other EaP countries, only Armenia is looking for closer cooperation with the EU, especially after losing the war with Azerbaijan in Nagorno-Karabakh in 2020. However, due to its economic and security dependence on Russia, Armenia can only undertake selective collaboration. Azerbaijan remains interested in maintaining good economic relations with the EU, and its position as an EU partner has strengthened due to the increase in gas supplies to the EU. Belarus' participation in the EaP has been suspended, but the EU supports Belarusian civil society. The Lukashenka regime is an ally of Russia and makes its territory available to Russian troops for military operations against Ukraine.

Debate on the Future of the Eastern Partnership. Within the EU, the discussion among Member States is whether to continue the EaP. The positions are related to their attitude to enlargement policy. Countries supporting EU enlargement in its eastern neighbourhood—namely Poland, Sweden, Czechia, and the Baltic states—believe that the EaP should be continued but the offer modified. Ukraine and Moldova could use mechanisms for implementing Association Agreements (e.g., Association Councils) in the EU accession process. If the EU withdraws from the EaP, it would be an opportunity for Russia to escalate its aggressive policy in the region. The supporters argue that the EaP contributes to the political dialogue between Armenia and Azerbaijan and plays a positive role in supporting civil society, especially in Belarus.

Countries sceptical of enlargement, although they do not officially question the EaP, would prefer the development of a looser format of cooperation between the eastern neighbourhood countries and the EU. In light of the debate on Ukraine's accession to the EU, France, with the support of, among others, the Netherlands, Austria, and Italy, proposed in May the development of a new initiative called the European Political Community (EPC). It postulated that due to the changed security architecture and the impasse in enlargement policy, the EU needs an intergovernmental format of cooperation with its neighbouring countries to address the most important strategic issues for the EU. In June, the European Council accepted the idea with the provision that the EPC will not replace enlargement policy. On 6 October, an EPC summit was held with the participation of the leaders of all Member States, the United Kingdom, Turkey, Norway, and countries from the Western Balkans and EaP (except Belarus). The meeting did not produce concrete results, but the format will be further developed.

Georgia, Moldova, and Ukraine expect the EaP initiative to be adapted to new needs. They officially maintain their participation in the EaP, but want further integration with the EU internal market. Ukraine plans to integrate with the telecommunications and digital markets. Access to the Instrument for Pre-accession Assistance (IPA) is important

for Moldova. In turn, Georgia emphasises the importance of developing economic assistance.

Perspectives and Recommendations. The Swedish presidency of the Council of the EU in 2023 will continue the debate on EaP modifications, and the European Commission and the European External Action Service will probably present proposals for changes. Most likely, the EU will continue the EaP but will adapt it to the new situation. The challenge will be to find synergies between the EPC and the EaP. With the eastern neighbourhood countries participating in both initiatives, they may be competitive. To complement the EaP, the EPC could undertake cooperation in the field of increasing the resilience of the EU and neighbouring countries to hybrid threats, such as attacks on critical infrastructure.

To modify the EaP, the EU can adapt public administration capacity-building programs (e.g., twinning, TAIEX, internships in EU institutions) to the needs of candidate countries. It will be important to involve officials from countries that joined the EU in 2004 and later. The EU should continue to gradually integrate Moldova and Ukraine into the EU's internal market within the framework of the Association Agreements. The most urgent is their full integration with the EU energy market, including the construction of interconnectors. To increase trade with the EU, it is crucial that tariffs on trade in goods will be permanently eliminated and transport infrastructure, especially on the border with the EU, is developed. If accession negotiations start, the EU can combine the fulfilment of conditions with incentives, such as the inclusion of these countries in subsequent EU policies, for example, the liberalisation of new service sectors, movement of people, partial inclusion in the Common Agricultural Policy or cohesion policy. Although these changes would be controversial for many EU countries, they would contribute to the stability of the region. As regards Georgia, the EU should not only consistently emphasise the need to implement the reforms required to obtain candidate status but also increase support for NGOs to monitor the authorities' activities and raise public awareness in this area. The EU could also develop a long-term plan to help Ukraine, Georgia, and Moldova in the field of security. As for all EaP countries, the priority should remain to support socioeconomic development through the effective implementation of the economic and investment plan and civil society development, including by successively increasing funds implemented locally.

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Table 1. Integration of Moldova and Ukraine with the EU Internal Market since February 2022.

#### Moldova:

March - Moldova synchronised its electricity grid with the EU's;

June – EU liberalised road transport;

July – EU temporarily liberalised trade in seven Moldovan agricultural products: tomatoes, garlic, table grapes, apples, cherries, plums, and grape juice;

October - Moldova obtained the mutual recognition of authorised economic operators with the EU.

#### **Ukraine:**

March – Ukrainian refugees in the EU gained access to the labour market and education, housing and other benefits, including health and social benefits <u>under the Temporary Protection Directive</u>;

March – <u>Ukraine synchronised its</u> electricity grid with the EU's;

June – the EU removed tariffs on all goods for a year;

June – the EU liberalised road transport, e.g., abolished the requirement of permits for Ukrainian carriers;

October - Ukraine joined the common transit system (simplified customs procedures);

September – according to the decisions of the EU-Ukraine Association Council, the next goal for Ukraine is to further integrate with the EU telecommunications and digital market and its entry into the Single Euro Payments Area (SEPA).

Source: Own compilation PISM, 2022.