

Eastern Partnership and its Strategic Importance to the European Union

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The spread of European rules in the neighbourhood is the essence of EU's external relations. However, changes in the EU enlargement policy are hindering this process. Enlargement fatigue has been discussed for several years now, even though the prospect of membership is the key motive for EU partner countries to change their internal political and economic situation. Nevertheless, for the past several years, the EU enlargement process has become less oriented towards the ultimate objective: fully fledged EU membership. This has paved the way for a vicious circle in EU external relations: **the absence of EU membership prospect means that partner countries have no motivation to reform and come closer to the EU's regulatory rules and standards.**

In the context of enlargement fatigue, the EU has come up with a proposal of integration without membership. This is an option that lets partner countries participate in the EU internal market through enhanced free trade agreements and free movement of persons, but without formal EU membership. **Thus, as far as external relations are concerned, the EU is interested in expanding its regulatory limits without expanding its legal and institutional boundaries.**

This is a test the Eastern Partnership should go through: it should become a sufficiently motivating alternative to the EU enlargement policy for partner countries. The Eastern Partnership is 5 years old now and, evidently, needs success stories. In other words, **if Vilnius Summit is not successful, i.e. neither EU-Ukraine Association Agreement, nor Deep and Comprehensive Free Trade Agreement with Ukraine is signed, will this mean an end to the Eastern Partnership?**

Competition between two integration spaces

The context is even more complex because the EU Eastern Partnership is not the only player in town. The Eurasian Customs Union and initiated by Russia is qualitatively different from all the previous initiatives in the CIS countries. The Eurasian Customs Union means deeper integration, because apart from a free trade area it also offers a single imports taxation system, uniform external customs tariff, harmonised product quality standards and other harmonised standards. Even though Vladimir Putin, as the architect of the Union, constantly emphasises that the Eurasian Union should be a bridge reinforcing the relations between the post-Soviet countries and the EU, resulting in a single economic area ranging from Dublin to Vladivostok, it is evident that the EU and the Eurasian Union have essentially different rules and standards.

The two alternative integration projects differ not only in standards and technical requirements but also in political and economic terms: in contrast to the EU, the Eurasian Customs Union is marked by authoritarian politics, oligarch-dominated business and unhealthy alliance between economy and politics.

Notably, once they join the Eurasian Union, member countries lose their independence in the area of external trade policy. Members of the Eurasian Customs Union have to both agree on the common customs tariff and jointly develop a common trade regime with third countries. **Should the EU Eastern Partnership member states join the Eurasian Union, this will mean that Russia will gain leverage in the external trade policy of other countries in the Eurasian Union and will be able to affect their relations with the EU. For instance, it could foreclose their negotiations with the EU on enhanced free trade agreements.**

In addition, Russia is not leaving any alternatives allowing countries to align their European orientation with their natural ties with the CIS countries. This means that the **traditional multi-directional policy of Ukraine and other Eastern European countries is soon going to end. The critical moment for Eastern European countries to make their geopolitical decision is nearing.**

For instance, the accession of Ukraine and Moldova to the Eurasian Customs Union, thereby enlarging the Union to encompass the region of the Eastern Partnership, can weaken the EU's normative power in these countries. The enlargement of the Eurasian Union is a major challenge for the EU Eastern Partnership, which allows partner countries to instil European rules through free-trade agreements and then get access to the internal market of the EU. In other words, the enlargement of the Eurasian Union through accession of the Eastern Partnership countries would prevent expansion of the European rules. **Apart from preventing the promotion of political and economic reform in the EU's Eastern neighbourhood, this would also keep the Eastern Partnership countries on the path of development marked by an unhealthy alliance between authoritarian politics, economy and business, characteristic of the post-Soviet countries.**

It is important to emphasise the practical aspect of the competition between the Eastern Partnership and the Eurasian Union. The uniform external customs tariff of the Eurasian Union, which essentially equals the external customs tariff rate of Russia, is higher than the tariff negotiated with the World Trade Organization and applicable in some of the EU Eastern Partnership countries, notably in Ukraine. These countries are currently seeking to sign an enhanced free trade agreement with the EU, which should provide for even greater tariff reductions than those negotiated with the

WTO. This indicates that the membership of the Eurasian Union could lead to protectionism and constitute obstacles for EU products to get into the markets of the EU's Eastern Partners. It is obvious that such protectionist barriers do not meet the interests of the EU.

Lessons for the EU to be learnt

Obviously, further development of the Eastern Partnership will depend on the results of the Eastern Partnership Summit. If the EU–Ukraine Association Agreement is signed or at least the agreements with Moldova and Georgia are initialled, the Vilnius Summit will be an extraordinary success comparative to the 2002 NATO Prague Summit and the EU Copenhagen Summit in 1993, both of which paved the way for qualitatively new relations between the EU and Eastern European countries. However, recent history has witnessed less successful examples as well.

First of all, the mistake of the NATO Summit in Bucharest in 2008 should not be repeated. In 2008, in order to appease Russia, the NATO Membership Action Plan was not offered to Georgia and Ukraine. The forces seeking to re-integrate the post-Soviet space saw this as a retreat of NATO and as a creation of a geopolitical vacuum in Eastern Europe and South Caucasus which was soon filled in after Russia's military intervention in Georgia, giving rise to the recognition of separatist authorities of dubious legitimacy in 2008. This example demonstrates that Eastern Europe, an area where two integration forces compete, is still governed by the realpolitik rules of the game, where foreign policy is based on concepts such as redrawing the spheres of influence; economy and politics are merged and geopolitics is an integral part of any decision-making that affects international relations in the region. **The EU should understand that the construction of a safe Europe is not over and in order to complete the process, the EU should learn to play by the realpolitik game rules. Rules can be changes only once they are learnt.**

Understandably, “the EU cannot act more Ukrainian than Ukrainians themselves”, but we also have to remember that even justified requirements concerning selective justice or electoral reform cannot be implemented without taking the local context into consideration. In other words, **the EU should avoid the situation where even justified value-based position can push Ukraine and other Eastern European countries to greater geopolitical dependence on Russia and pave the way to selective justice and dependence of courts on political decision-making.** This is to say that, should the EU freeze the implementation of the enhanced free trade agreements, the incentives of the integration force that competes with the EU may force Kiev and other Eastern Partnership countries to go down the alternative path of integration.

Eastern Partnership: from Vilnius to Riga

Even if all the set objectives of the Eastern Partnership are reached, association agreements and enhanced free trade agreements with the Eastern Partnership countries are signed and free movement of persons is established, we should already start thinking about the incentives the Eastern Partnership could offer to partner countries in its new cycle of existence. In other words, what will be the content of the Eastern Partnership once the set objectives are achieved? Will the association agreements become an intermediary step towards fully-fledged EU membership, or will they remain a permanent alternative to membership of the Community? **If the EU enlargement fatigue continues to prevail while shaping the Eastern Partnership, what are the new integration and membership stages that Eastern Partnership could offer?**

Perhaps, further stages of the EU's Eastern Partnership could be modelled on the basis of the best possible alternative to EU membership. **There is a need to discuss the new concept of Privileged Eastern Partnership, modelled on the relations between the European Economic Area and Switzerland.** Apart from signing the association and deep and comprehensive free trade agreements, another option could be offering Eastern Partnership countries the right to participate in the primary policy-shaping by providing comments on EU legislative drafts in the initial drafting stage, which would include key legislation on EU external trade, single market, CFSP and justice and home affairs. The Eastern Partnership countries could also be incentivised by offering them an observer status in the Council of the EU on the CFSP and justice and home affairs. Obviously enough, setting further horizons for the EU Eastern Partnership is a serious challenge for the decision-makers of the EU.