

## Round-table discussion

# EU-Russia relations in 2009: Business as Unusual?

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2008 has been a turbulent year for EU-Russia relations (i). The Georgia crisis and later the gas dispute between Russia and Ukraine made two things clear: first, that there is no alternative to continuing the relationship and, second, that it cannot continue in the same way. As the EU Commissioner for External Relations and European Neighbourhood Policy Benita Ferrero-Waldner observed, the EU's relationship with Russia 'a challenging partnership, but one of the most important of our times (ii). While there is increasing doubt about the feasibility of the technocratic, business-as-usual approach, it is still not clear how the business as unusual approach between the EU and Russia should look like.

The Czech Presidency of the EU has pledged to continue the dialogue with Russia through, among other means, the regular EU-Russia summit, sessions of the Permanent Partnership Council (PPC) as well as to continue negotiations on the new partnership and cooperation agreement with Russia.

The aim of this paper is to introduce some of the questions that are likely to arise in this process: (a) the state and the outlook for the EU-Russia negotiation over a new treaty; (b) the EU's and Russia's mid-term and long-term strategies and interests vis-à-vis each other (c) possible need for a new security architecture in Europe after the 2008 Georgia crisis and the EU's possible role in it.

### The Treaty Negotiation

The EU and Russia concluded a Partnership and Co-operation Agreement in 1994. The cooperation is based on four specific policy areas, or so called common spaces: economic issues and the environment; freedom, security and justice; external security; and research, education and including cultural aspects. Russia is today the EU's third biggest trade partner, while the EU is Russia's most important trade partner and investor.

The June 2008 Summit between EU and the Russian Federation saw the launch of negotiations on a new EU-Russia agreement. The EU and Russia have made a number of commitments to human rights and democratic standards, notably in the Council of Europe and the OSCE, and respect for these standards will need to be reflected in the new agreement.

The first round of negotiations took place in July 2008; following the Russia/Georgia conflict the EU postponed the second round pending withdrawal of Russian troops to positions held prior to August 7. Although the postponement was later lifted and the negotiation process has now resumed, questions remain. While some experts would like to see a revamped treaty that is based on strategic partnership in the four common spaces plus sectoral agreements in core areas, others doubt that a comprehensive agreement is achievable or even the best tool for managing the relationship.

This suggests the following questions:

- The EU-Russia negotiation process has been in on-and-off mode for some time now. Is it leading to slow progress, or, as some believe, is increasingly aimless?
- Is there political will to achieve success with these negotiations among the actors involved?
- Does a treaty really matter, after all?

## **Strategies and Interests: Co-operation or Bargains?**

In 2008, the doubts about the institutional framework for the future cooperation have been somewhat pushed to the background by the very real clashes on the ground. The military confrontation between Georgia and Russia, as well as the level of tension between Russia and Ukraine, have highlighted the fact that, despite almost two decades of cooperation, institution-building and declarations about strategic partnership, the EU and Russia see some very important things very differently. There are growing doubts whether strategic partnership is a realistic objective at the moment. Lowering the level of ambition, however, would also mean departing from the positive vision that gave impetus to the achievement.

In the energy dimension of EU-Russia relations, the high level of interdependence has provoked calls for increased cooperation as well as fears of dependence on Russian energy resources. It seems that, while restructuring EU's energy policy to reduce reliance on individual non-EU suppliers is a mid-term and long-term goal, there is an urgent need for a working accommodation between the EU and Russia in the energy area. While Russia recently called for the immediate re-negotiation of the Energy Charter Treaty, it remains to be seen whether both sides are willing to reach an accommodation on energy and energy transit in the foreseeable future.

Adding to the search for a new model in EU-Russia relations is the Union's own 'one voice' challenge. As the Czech presidency stated, there is need for 'identification of common ground for policy toward Russia and a subsequently more coherent EU approach. The key to EU-Russia relations is the maintenance of the unity of the entire EU and its ability to speak with one voice (iii). Russia, in its turn, seems to have a somewhat different view: its official foreign policy guidelines, while welcoming a unified approach on the part of the EU, see bilateral relations with some of the EU member states as an 'important resource for promotion of Russia's national interests (iv).

This leads to several questions:

- Do Russia and the EU have consistent mid-term and long-term strategies and clearly defined interests vis-à-vis each other?
- Are these strategies and interests compatible, especially as far as the future of the post-Soviet area is concerned?
- In what areas is there space for co-operation and in which bargains and compromises should be set as a goal?

## **New European Security Architecture?**

In early June 2008, Russian president Dmitry Medvedev proposed to hold a pan-European summit to start drawing up a legally binding agreement on European security. The goal is to create new 'Euro-Atlantic security architecture'. According to Medvedev, any new security arrangements should be based on 'pure' national interests, not skewed by ideological motives, while 'organizations operating in the Euro-Atlantic region' should also have the opportunity to join (v). While some countries have signalled openness to Russia's security proposal, others have been sceptical. Critical voices claim that the proposal attempts to 'divide NATO', 'claim a Russian Monroe doctrine for its Near Abroad', and even to 'undermine existing European security treaties, such as the OSCE and the CFE Treaty' (vi).

In another summer 2008 development, Russia declared it would site short-range Iskander missiles in Kaliningrad to counter US missile defence plans involving the Czech Republic and Poland. Although Russia later shelved the Iskander deployment, the whole episode illustrates how hard security is increasingly becoming a prominent issue between Russia and the rest of Europe. While security policy primarily is the competence of the EU member states, the issue has serious implications for the European Union. Not only are the majority of the EU members also NATO members; potential clashes over security issues directly impact the context for the Union's European Neighbourhood Policy to the East. It is therefore natural to address the following issues in an EU-Russia context:

- Is there need for new security architecture in Europe after the 2008 Georgia crisis?

- What role does the EU have to play?
- Can a European security pact proposed by President Medvedev be (part of) the solution to the European security issues?

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(i) This paper draws upon documents and information resources of the EU Commission.

(ii) <http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/08/545&format=HTML&aged=0&language=EN&guiLanguage=en>.

(iii) <http://www.eu2009.cz/scripts/file.php?id=6226&down=yes>

(iv) «Концепция внешней политики Российской Федерации». <http://www.kremlin.ru/text/docs/2008/07/204108.shtml>.

(v) <http://en.rian.ru/russia/20080716/114103913.html>.

(vi) Marcel H. Van Herpen, Medvedev's Proposal for a Pan-European Security Pact, <http://rieas.gr/images/Medvedev.pdf>.