



Avatud Eesti Fond
Open Estonia Foundation



Between activeness and influence

The contribution of new member states to EU policies towards the
Eastern neighbours

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Commissioned by the Open Estonia Foundation

September, 2006
Tallinn, Estonia

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1. Introduction

Enlargement of the EU to the East is dramatically changing the Union's perception of and relations with Eastern Europe. Part of the former Eastern bloc, which is nowadays commonly called East Central Europe, has evolved into an integral part of the Union. The rest of Eastern Europe has become the EU's neighbourhood. The enlarged EU as a whole confronts new realities and new challenges coming from new (Ukraine, Moldova, Belarus and Southern Caucasus countries) and old (Russia) Eastern neighbours.

It is not only the "Big Bang" enlargement of 2004 that matters for the EU's relations with its Eastern neighbourhood, but also the entry of Bulgaria and Romania into the Union, which is likely to be accomplished in 2007. Thus, when analysing the impact of Eastern enlargement on the EU's policies towards the Eastern neighbours, we should already now think of the EU as a Union of 27 member states. This report therefore examines the evolution of the EU's Eastern policies through both waves of Eastern enlargement.

The two waves of enlargement create a diverse group of new member states that share a particular interest towards the new (and old) Eastern neighbourhood. This is explained not only by their proximity to the EU's Eastern neighbours, but also by multiple historical, social and economic links. In order to understand the policies of the enlarged EU towards Eastern Europe, it is thus essential to study the contribution of the new member states to these policies.

The report analyses the positions and activities of nine new members towards the Eastern neighbours: the Baltic States – Estonia, Latvia and Lithuania, the Visegrad group – Poland, the Czech Republic, Slovakia and Hungary, and finally the acceding countries Bulgaria and Romania. (We omit Slovenia due to its different geographical location and weaker interest and engagement in the Eastern neighbourhood.) The Eastern neighbourhood that is covered in this report consists of seven states: the six countries in the East that are included in the European Neighbourhood Policy (ENP) - Belarus, Moldova, Ukraine and the three South Caucasus countries Georgia, Armenia, Azerbaijan - and Russia that continues to play a central role in the post-Soviet space.

The report aims to place the contribution of new member states to the EU's Eastern policies in the broader context of developments in Eastern Europe on the one hand, and the interests and aims of the EU as a whole in the region on the other hand. The broader perspective is essential for understanding the successes and failures of the new member states' efforts so far and, even more importantly, for assessing the possibilities of new members to influence the EU's relations with Eastern Europe in the future.

The following two chapters shed light on the extensive changes in Eastern Europe over the past years and on the EU's policies towards the region that have been pursued in the course of Eastern enlargement. The chapters outline a vision of EU-25 and EU-27 concerning Eastern Europe, stressing the increasing relevance and growing diversity of

the region. It is argued that the new neighbourhood policy of the EU is a weak tool for addressing the new challenges. One of the key problems is that it leaves the question about the Eastern European neighbours' prospect of becoming EU members unanswered. The lack of a strong common EU policy towards Russia is also a major impediment to a coherent and effective EU policy towards Eastern Europe. Chapter three focuses on the new Black Sea dimension of EU-27 which is in some respect comparable with the Baltic Sea region in the 1990s, but it also raises specific new concerns, especially when it comes to energy and security issues, which are both potential sources of new tensions in relations between the EU and Russia.

Chapter four addresses the activities and aims of new member states with respect to the Eastern neighbourhood. It provides an overview of the role of newcomers in the different EU institutions and analyses a range of similarities and differences in their positions. The new members are categorised into two main groupings that are separated by a "Carpathian mountains dividing line". The last, fifth chapter considers future perspectives and proposals concerning the EU's policies towards the Eastern neighbours, focusing on the potential contribution of the nine new members. It outlines the main disagreements that may persist among the new members and proposes a common agenda that the new members could and should jointly pursue. The proposals aim to offer ideas as to how the new member states could improve their ability to shape a joint EU strategy towards Eastern Europe. In conclusion, the report stresses the indispensable role of new member states in the EU's relations with Eastern Europe and calls for the new members to develop a broader, more strategic approach and a stronger sense of ownership towards the EU's policies in the region.

2. Central and Eastern Europe after the "Big Bang" enlargement of 2004

2.1. Growing diversity in the region

Enlargement marked an end of a homogenous Eastern Europe on the EU's mental map. However, while the geographical map of the EU altered overnight on 1 May 2004, the mindmap and ways in which old member states and the whole Union perceive Eastern Europe have been changing more slowly and over a longer period, starting from the dissolution of former Eastern bloc in the late 1980s. During the 1990s, the EU was preoccupied with what was now defined as "East Central Europe", a region that initially consisted of Visegrad countries and was soon extended to Bulgaria, Romania, the Baltic states and Slovenia. Beyond the ten East Central European countries that were accepted by the EU as candidate countries and seen as future full members, there were the conflict-ridden Western Balkans and, in the EU's perception, a more or less homogenous and undefined post-Soviet space where Russia was the only country that had major significance for the EU.

Enlargement has made Eastern Europe look more fragmented than perhaps ever before. First of all it has confirmed that some of the former Eastern bloc countries have become

firmly integrated with western structures. Secondly, the post-Soviet space that is excluded from enlargement has started to appear more diverse, and the EU has acknowledged the need to develop specific policies for its new neighbouring countries. On the one hand, the newly perceived heterogeneity of Eastern Europe is explained by the EU's increased interest towards the new neighbours. On the other hand, the diversity in the CIS area has in fact grown.

Today we may distinguish between three groups of countries in the former Eastern bloc. First, the new EU member states (soon to include Bulgaria and Romania) have implemented profound political and economic reforms and reached a status of *post-transition* countries. In several aspects their political and economic systems are still unconsolidated and less stable than those in Western Europe (for example, they have on average higher levels of corruption, weaker civil society and less stable party systems), but nevertheless they have built up functioning democracy and market economy.

Second, there is a diverse group of *transition* countries that are still struggling with fundamental reforms, aiming to catch up with the first group. This category may be divided into cases of *renewed transition* – Ukraine and Georgia – where recent revolutions have given new impetus to the reform process, and countries such as Moldova, Armenia and Azerbaijan (the latter being the most authoritarian of the three) that have failed to effectively implement reforms and are stuck in a *prolonged transition*. Before the colour revolutions, an increasing number of experts started to question whether one should talk about the CIS as transition countries any longer or accept that they had established hybrid systems that fell into a grey zone between democracy and authoritarianism¹. According to the widely used Freedom House classification, most of the CIS countries were “semi-free” and combined elements of democratic competition with authoritarian leadership. The “color revolutions” disproved the pessimistic assessments and raised hopes about a renewed wave of democratisation in post-communist Europe. Ukraine and Georgia have undoubtedly had a huge impact on the post-Soviet space. Pro-democratic forces in many countries were inspired by the revolutions and gained new belief in the possibility of change.

However, the revolutions also had a counter-effect: several (semi-)authoritarian leaders have tightened control over political opposition and civil society and introduced new restrictions of political freedoms as a “vaccine” against the spread of the “democracy virus”. Thus, there is a third group consisting of *authoritarian and semi-authoritarian countries* that are not democratizing, but rather sliding in the opposite direction. Belarus is the most visible case of tightening authoritarianism, and the same tendency, although in a milder form, is also apparent in Russia.

As a result of the two opposite dynamics, the colour revolutions on the one hand and authoritarian tendencies on the other, the differences among the CIS countries have increased.² These differences are of key importance for designing the EU's policies towards the region.

2.2. New political geography in North-Eastern Europe

The 2004 enlargement changed fundamentally the political geography in North-Eastern Europe. The Baltic Sea has become a Mare Nostrum of the EU, except for the Kaliningrad region and the easternmost shores of the Gulf of Finland that are part of Russia. The double enlargement of the EU and NATO marks the transformation of the Baltic Sea region from an unstable and conflict-prone area of the 1990s into a zone of security and prosperity. The inclusion of Poland and the Baltic states into the EU and NATO was a key to the current stability and security of the region, as it defined clearly their strategic position and identity and supported the consolidation of democracy.

However, there are still tensions in relations between Russia on the one hand and the Baltic states and Poland on the other. As we know, enlargement has made relations with Russia both more important and more complicated for the EU. In addition to Finland that has relatively unstrained relations with its Eastern neighbour, the EU has now four new member states, the Baltic countries and Poland, that share a common border with Russia. They have brought the burden of history and their problems in relations with Russia to the Union's table.

Estonia and Latvia in particular have been seen as the 'troublemakers' in EU-Russia relations because of their large Russian minorities³, the lack of agreement on border treaties and other sources of tension. The Baltic countries hoped that EU membership would improve their relations with the Eastern neighbour, but to their disappointment, Russia has continued to accuse them of violating the rights of the Russian minorities (in spite of assurances of international organisations that the accusations are ungrounded), and the border question seems to be in deadlock⁴. Furthermore, the history perceptions of Russia on the one hand and the Balts and Poles on the other have become even more openly conflictual and incommensurable. This was particularly visible before and during the Victory Day celebration in Moscow on 9 May 2005 – the day that for the Baltic countries and the Soviet satellites in Central Europe marked the start of the second totalitarian rule after the Nazi occupation.

The new dimension of EU-Russia relations also includes the Russian enclave of Kaliningrad that borders Lithuania and Poland. The transit of Kaliningrad residents through Lithuania was one of the most difficult issues in EU-Russia negotiations before the enlargement. The transit regime that was agreed upon as a result of tough negotiations has functioned satisfactorily.⁵

2.3. Common neighbourhood as a source of tension between the EU and Russia

The 2004 enlargement created a new common neighbourhood between the EU and Russia, consisting of Ukraine, Belarus and Moldova (the latter will become an immediate neighbour of the EU after the accession of Romania). This is a vital area for Russia, perceived in Moscow as "near abroad". Especially Ukraine and Belarus are more important for Russia than the Baltic states ever were, for a variety of reasons ranging

from shared identity and language similarity to strategic and economic interests. Perhaps even more importantly, this is a symbolic issue. The recent determination of Ukraine, Georgia and Moldova to detach themselves from Russia has been a hard blow for the latter's imperial identity. The western orientation of these countries has made it even more important for Russia to maintain control over Belarus and other CIS countries, as well as the "frozen conflict" areas of Transnistria, Abkhazia, South Ossetia and Nagorno-Karabakh.

The eagerness of the new EU members to support the European orientation of the western CIS countries is to some extent linked to the formation of spheres of influence in Europe. From this perspective, the EU should aim to weaken Russia's control over the countries in between, for which the EU and the CIS are mutually exclusive and competing options. This corresponds with the Russian understanding of a zero-sum game being played with the EU. The EU, however, does not formulate its foreign policy in terms of geopolitical realism and refuses to see its relations with Eastern neighbours as a matter of competing spheres of power. For the EU, including the new member states, the key issue is stable and democratic development in the neighbourhood.

The European aspirations of Ukraine, Moldova and Georgia existed even before the "big bang" enlargement, but not to the same extent as in the past couple of years when the need to respond to these aspirations has become a major challenge for the EU. This is essentially linked to the question of the *location of EU borders*, which is a subject of heated discussion and fierce disagreement inside the EU, as it is a crucial question for the EU's future identity. This issue divides opinions in the EU into three groups.

First, many old member states call for defining the EU's final borders. Such view receives support, among others, in France and the Benelux countries, and also the German Chancellor Angela Merkel has recently called for deciding where the borders are⁶. Second, the dominant view in EU institutions, defended for example by the Enlargement Commissioner Olli Rehn, is that the enlargement agenda is full at the moment, but one should not define ultimate borders of the EU. The third position, which is strongly supported only by some new member states, is that the Union should give a clear membership prospect to Ukraine and some other Eastern neighbours. Neither the first nor the third option are likely to win the support of a majority of member states in the near future. Thus, the ambiguous second position, answering neither "yes" nor "no" to the membership aspirations of some neighbours, is to continue for the time being.

This leaves Eastern Europe as the only region in Europe without a clear EU membership perspective. Ukraine has most clearly expressed its goal to become a full member of the EU. However, so far it has not submitted a formal application for membership, as there is no hope of a positive answer. The application would force the EU to take a clear stance, and obviously a "no" would be worse for Ukraine than the current ambiguity. This is an issue that tests the credibility and legitimacy of the EU, since its founding treaties give Ukraine, like any other European country, the right to apply for membership. Although the borders of Europe are disputed, the Europeaness of Ukraine is not. Nevertheless, there is less support at the moment for offering the prospect of membership to Ukraine

than there was in early 2005, immediately after the Orange Revolution and before the French and Dutch referenda on the Constitutional treaty that paralysed the enlargement agenda.

The EU faces a very different kind of challenge in Belarus, a country with an authoritarian regime and a more or less pro-European society. It is the only Eastern neighbour with which the EU has no treaty-based relations. The authoritarian regime of President Lukashenka has isolated itself from the West, and the EU seems to be unable to break the isolation. Lukashenka enjoys fairly wide support among Belarusians, but he is faced with a strengthening pro-democratic opposition and looming economic difficulties.

Meanwhile, Russia is trying to pursue a state union with Belarus, which might eventually turn Belarus into a province of the Russian Federation. This scenario is opposed by the Belarusian people, the Lukashenka regime as well as the opposition. For Russia, the state union would be a way to make sure that Belarus will not take a European turn like Ukraine and Moldova have done. Indeed, the current regime will collapse sooner or later, and the new leadership will most probably be pro-European. The EU should be ready to react to a crisis in Belarus and help to build up a democratic government. Because of the strongly repressive nature of the current regime, a possible democratic turn in Belarus will most likely not be similar to the colour revolutions. The threat of violence is larger; one can expect a violent breakthrough rather than another flower or singing revolution.

2.4. Borders or barriers?

Many of the EU's concerns about the neighbouring countries are related to borders. Firstly, there is a range of *security issues* that are specific to the borders. Importantly, these are mostly not matters of security in the traditional, military sense, but different forms of soft security. Secondly, because of the security concerns, the *nature of borders* is a troublesome issue for the EU: on the one hand, borders are barriers that protect the Union and its citizens against threats from the outside, but on the other hand, it is a fundamental goal of European integration to soften borders and reduce barriers.

Threats such as cross-border crime, drug trade, illegal immigration, human trafficking, nuclear material and environmental problems can only be alleviated in cooperation with the neighbours. Such threats originating in the Eastern neighbourhood obviously affect, above all, the new member states that are situated on the EU border. The EU's engagement in the control and prevention of these threats is indispensable for the new member states. To a large extent these problems result from political instability, bad or weak governance, poverty and the gap in the standard of living marked by the EU's Eastern border. The security concerns are thus inherently linked to the need for broad support for the development of these societies.

The EU's neighbourhood policy aims to reduce barriers on EU borders in a number of ways: by facilitating the movement of goods and people, increasing cross-border cooperation, supporting student exchange and links between NGOs and professional

groups, etc. However, there is also a tendency to build a fortress Europe in order to protect the EU from the above external threats.

A key issue that reflects the tension between the wish to reduce barriers and the tendency to build a fortress Europe is visa policy. Facilitation of the visa policy is one of the goals in relations between the EU and its neighbours, and it is of huge practical as well as symbolic importance for the citizens of the neighbouring countries. However, the security concerns of member states and fear of uncontrolled migration make it very difficult to move forward. Ukraine as the most advanced Eastern ENP country started negotiations with the EU on visa facilitation in late 2005 and can hope for an agreement to enter into force in 2007 at the earliest.

2.5. Energy and trade: mutual dependence

There is a strong imbalance between the EU and its Eastern neighbours in the field of economic relations. For the EU, the neighbouring countries are insignificant as trade partners, but with one crucial exception: the EU is highly dependent on energy imports from the East. Largely because of energy, Russia is the only Eastern neighbour that has a relatively important place in the overall external trade of the EU: accounting for 5% of the EU's total exports and 9% of imports, Russia is the EU's third largest trade partner. Energy constitutes almost two thirds of EU imports from Russia.

For the neighbouring countries, the EU has become the most important trade partner after the 2004 enlargement. The only slight exception here is Belarus for whom Russia is still the largest trade partner, but even in this case the EU's share of total trade is growing, and the EU became the top destination of Belarusian exports in 2005 (while Russia remained the main origin of imports).⁷ In the case of Belarus more than half of the exports to the EU is, again, energy.

Table. Trade between the EU and its Eastern neighbours in 2004.

	EU share of total imports	EU share of total exports	EU share of total trade
Armenia	34	44	37
Azerbaijan	40	57	46
Belarus	20	36	27
Georgia	33	17	29
Moldova	33	30	32
Russia	49	54	53
Ukraine	32	30	31

(Source: Eurostat, <http://ec.europa.eu/comm/trade/issues/bilateral/datapdf.htm>)

The neighbours' dependence on trade with the EU gives the latter tools to influence the neighbourhood. It is of crucial importance for the Eastern neighbouring countries to improve their access to EU markets and adopt the EU's norms of economic governance. However, particularly with regard to relations with Russia, the EU's economic leverage is weakened by its energy dependence. As a rule in international politics, concerns about stable and secure energy supply override more idealistic aims such as the promotion of democracy and human rights. The EU is no exception: although it keeps democracy and human rights on the agenda of its Russia policy, it is energy that dominates EU-Russia relations.

Enlargement increased considerably the EU's dependence on Russian gas and oil due to the high dependence of the new member states. Currently one fourth of the EU's gas needs are covered by imports from Russia. By 2015, the figure is expected to rise to 40 percent. Some of the member states – the Baltic countries and Finland – rely totally on Russia in their gas consumption. Also the Visegrad countries import most of the gas they consume from Russia. In terms of volumes, however, the most important customer of Russia's energy trade in Europe is Germany that imports from Russia more than one third of its consumed gas. The central role of energy trade in German-Russian relations is accentuated by the new Baltic Sea gas pipeline project launched in 2005. The new pipeline that is constructed under the Baltic Sea is due to start the delivery of gas from Russia to Germany and other West European countries in 2010.

The dangers of the growing energy dependence on Russia became a topic of serious discussion in the EU because of the gas crisis of Ukraine at the beginning of 2006. The crisis raised energy security high on the EU agenda and gave an impetus to developing a common energy policy⁸.

2.6. The ENP: the EU's response to new challenges in the neighbourhood

The EU realised well before the 2004 enlargement that it needed to create a new policy for the new Eastern neighbours. According to the initial discussions in the Council in 2002, the new neighbourhood policy addressed only Ukraine, Belarus and Moldova, with a special focus on Ukraine. It was no longer enough to approach these countries via Moscow and treat them as a Russian sphere of influence, as the EU had mostly done in the 1990s. Both the European-oriented new neighbours and the new member states (candidates at that time) challenged the "Russia first" approach and called for a proactive EU policy that would aim to integrate the neighbours.

The European Commission rejected the idea of a specific "eastern dimension" policy. Instead, in December 2002 the then president of the Commission, Romano Prodi, launched a new neighbourhood vision including all the countries on the EU's borders, east and south. The common aims and challenges of the EU in relation to all the neighbouring countries were defined more precisely in the Strategy Paper of European Neighbourhood Policy adopted in May 2004.

Similarly to enlargement, the ENP aims to extend the zone of security and prosperity in Europe. The ENP, however, is not explicitly aimed at membership for the target countries, although it does not exclude membership either. The main purpose of the ENP is to create a new model of good-neighbourly relations. The concern that the EU is not able to enlarge any further has been at the core of the neighbourhood policy debate from early on. In 2005, the French and Dutch “no” to the Constitutional treaty further aggravated the feelings of enlargement fatigue and worries about the “absorption capacity” of the EU. Hence, on the one hand, the EU has become more engaged than ever in the neighbouring countries and is an increasingly influential regional (and global) actor, but on the other hand, it is overwhelmed by internal problems and wary of its own power of attraction.

Whether the ENP does indeed establish a new model of relations with the neighbouring countries is doubtful. While it has definitely intensified the EU’s relations with the neighbours, in terms of policy instruments the ENP is very similar to enlargement⁹. At the same time, it is merely a bleak version of enlargement and therefore increases pressure for the EU to accept its European neighbours as member candidates. The ENP leaves the main question concerning European neighbours of the EU open, namely the membership perspective of these countries.

The main common denominator of enlargement and the ENP is the extension of the EU’s values and norms through *conditionality policy*. The candidate countries’ relations with the EU are determined by their success in adopting the internal EU system. A similar logic, although in a weaker form, is also inherent in the ENP. Whereas conditionality has worked for countries that have had the “golden carrot” of membership within reach, the ENP does not offer strong incentives for the neighbours to implement reforms in accordance with EU norms.

The ENP appears to be more dialogical than the relationship between the EU and applicant countries. The keywords of relations are partnership, mutual gains and mutually agreed goals, and joint ownership. While candidate countries have no choice but to adopt the whole set of EU norms, each ENP country negotiates a “tailor-made” action plan. The Union stresses “ownership” by partners and their freedom to choose how far they want to deepen their political and economic ties with the EU¹⁰. Yet the EU is economically and politically far stronger than the neighbours, and it does set conditions: the closeness and depth of relations depends on the extent to which the neighbours adopt EU norms. The Union’s position may be described as “we do not impose anything, but if you want closer cooperation, do as we say”. Many of the neighbours would choose a far closer relationship if they were able to satisfy the EU’s conditions and if the Union was ready to build a closer relationship.

The conditionality policy is supported by financial assistance. Yet the EU provides far more modest sums of assistance to neighbours than to candidates. To give an illustrative example, in 1991-2003 the EU allocated slightly larger funds to Poland (€5.7 billion) than to the whole Tacis programme (Technical Assistance to the Commonwealth of

Independent States) (€5.5 billion). The EU assistance to the Eastern neighbours has grown considerably in recent years¹¹, and the European Neighbourhood and Partnership Instrument (ENPI), which will replace previous assistance programmes to the neighbours (Tacis and MEDA) and become the main financial instrument of the ENP from 2007 onwards, will double assistance to the neighbouring countries. Still, the gap between candidates and neighbours will remain huge.

Differentiating between the neighbours

One of the main arguments against the ENP has been that it imposes the same policy framework on all the neighbouring countries that differ greatly when it comes to both their domestic conditions and their aspirations in relation to the EU. The EU's response to such criticism is that differentiation is one of the central principles of its neighbourhood policy. The ENP strategy merely defines general principles and aims, while more precise content of the policy is agreed bilaterally with each neighbour and laid down in an Action Plan. The first seven Action Plans were launched in December 2004. The only Eastern countries included in this group were Ukraine and Moldova.

Ukraine has played a peculiar role in the evolution of ENP. It was at the centre of the initial idea of a new neighbourhood policy, but as the initiative was extended to cover the whole neighbourhood, and Ukraine itself made a decisive turn towards the west through the Orange Revolution, the ENP fell far short of its expectations towards the EU. Ukraine is thus the country that is most dissatisfied with the ENP. The key issue in relations between the EU and Ukraine at the moment is to negotiate a new, "enhanced" partnership treaty, as the current Partnership and Cooperation Agreement will expire in 2008.

While EU membership is not on offer, integration into the EU's internal market is attainable within the framework of ENP, and it would anchor Ukraine economically as well as politically to Europe and support the adoption of European norms of governance. According to a recent study by leading EU and Ukrainian economists, full inclusion of Ukraine into the internal market is not feasible within the next five years, but a "deep free trade" agreement could be part of a credible, Europe-oriented reform strategy¹². A prerequisite for extended free trade with the EU is WTO accession that Ukraine hopes to accomplish in 2007. Ukraine's slow progress in carrying out reforms necessary for WTO membership has been a disappointment for the EU and increased doubts about Ukraine's ability to effectively implement European norms. Ukraine, on its part, has been disappointed at what it sees as an unresponsive approach and limited support of the EU.

Moldova has an even longer way to go in adopting European norms than Ukraine, as it has less resources and weaker expertise for carrying out reforms. Although Moldova's ultimate goal is also EU membership, it has not had as high expectations towards the EU as Ukraine and therefore has not been disappointed in a similar manner. Moldova's European aspirations will be supported by the EU accession of Romania, which will make Moldova an immediate neighbour of the Union. (Although so far the EU does not share a border with Moldova, the country is already perceived and treated as a neighbour.)

The ENP Action Plans are the main guiding documents for Ukraine and Moldova in their pursuit of European integration. They lay down a set of priorities and measures aimed at bringing the neighbours closer to the EU. However, the Action Plans give little concrete guidance and are a weak instrument for motivating and assisting the reform process. The governments of neighbouring countries are themselves responsible for translating the Action Plans into effective policy programmes. Both Ukraine and Moldova have indeed adopted roadmaps for implementing the Action Plan.

The South Caucasus countries were initially not included in the ENP, but in the ENP Strategy that was launched by the Commission in May 2004, the concept of neighbourhood was stretched to include Armenia, Azerbaijan and Georgia. This was above all a consequence of the “Rose Revolution” of 2003 that made Georgia a “re-transition” country with a strong western orientation.

The three countries have just completed negotiations on their Action Plans with the EU. Out of the three, Georgia has expressed most clearly its interest in joining the EU in a longer perspective. Although the membership prospect is even more distant for any of the South Caucasus countries than for Ukraine or Moldova, their inclusion in the EU’s neighbourhood does significantly alter the position and horizons of the region.

Finally, the sixth Eastern neighbour and the most problematic country covered by the ENP is Belarus. It is a fundamental problem of the ENP that it is unable to deal with outsiders who reject European values. Authoritarian countries that do not share the “common values” are in principle covered by the ENP, but in practice excluded from regular cooperation until possible regime change. The EU has expressed its willingness to develop closer relations with Belarus “once the Belarusian authorities clearly demonstrate their willingness to respect democratic values and the rule of law”¹³.

Since the 2004 enlargement, the EU has taken steps to develop a more active approach towards Belarus. It has issued stronger resolutions that condemn the dictatorship, expressed support to the democratic opposition, and increased assistance to civil society. However, the EU’s assistance programmes are too rigid to enable effective support to the opposition and independent civil society, and the ENP offers few incentives for change. The conditionality policy of the EU is simply rejected by President Lukashenka.

Russia – not just a neighbour

The largest Eastern neighbour of the EU, Russia, has chosen to exclude itself from the ENP. This is not surprising, taking into account that Russia is not willing to integrate with the EU, but wishes to remain a separate regional power or even to restore its position as a superpower. After all, the ENP is a policy of regional hegemony towards its peripheries, and it reflects and reinforces the hierarchical and asymmetric relations between the EU and neighbours. The EU’s conditionality policy may be effective

towards its smaller neighbours (although when it comes to the ENP partners, this is yet to be proved), but the EU can hardly impose conditionality on Russia.

Instead of the ENP, a new concept of four common spaces¹⁴ was introduced to EU-Russia relations in 2003. In May 2005, the EU and Russia agreed on a package of road maps for the implementation of the common spaces. Apart from some progress in issues such as visa liberalisation and cooperation in research and education, the new approach can hardly be called a success. The relations are soured by confrontation over energy policy, democracy and human rights issues in Russia, frozen conflicts in Moldova and the South Caucasus etc.

It is not merely an impact of the new member states that, during the past years, the EU has become more critical of and concerned about the development of Russia. The authoritarian tendencies in Russia were a growing source of concern for the EU even before the enlargement, and the tensions over energy supplies concern many old member states as well as the new ones. For example, in a report issued in February 2004, the Commission expressed its concern that Russia's commitment to European values had weakened, even though it viewed the increase in stability during Putin's period in office as a positive development. The report also mentioned many issues that concerned the new member states in particular and were causing tensions in cooperation between the EU and Russia. Such issues included a “more assertive stance” adopted by Russia towards a number of joining states and CIS countries, disagreements concerning the extension of the Partnership and Cooperation Agreement (PCA) to cover new member states, as well as border treaties with Latvia and Estonia which Russia has still not ratified (see more below). The Commission called for a “genuine strategic partnership” to replace previous political declarations and ad hoc agenda.¹⁵

Today, the weakness of the common EU Russia policy continues to be apparent, and the strategic partnership is even more problematic than it was in early 2004. Bilateral relations with Russia remain for many member states a priority that overrides attempts to enhance a common EU policy. The EU's policy towards Russia, or rather the lack of it, continues to be one of the main concerns and challenges for the new member states.

3. Eastern neighbourhood of EU-27 after the entry of Romania and Bulgaria

3.1. The rising Black Sea dimension

The “Big Bang” enlargement of 2004 was a revolutionary step for the EU. Although the next enlargement is much smaller, including only two countries – Bulgaria and Romania – it will also play a very important role for the EU as a whole due to the geographical location of the two newcomers. The entry of Bulgaria and Romania into the EU will create a new challenge for the enlarged Union, namely the Black Sea dimension. The

Black Sea dimension contains two crucial issues for the EU as a whole: energy and hard security. Both are analysed in more detail below.

The new dimension should be perceived at least at three levels. The first level is about the new perception of Eastern Europe which will be seen by the EU not only from the east central European perspective, which is predominant now, but increasingly also from the Black Sea perspective. The latter perspective applies to several post-Soviet countries. The second level refers to the future development and geostrategic position of the diverse and complicated Black Sea region where the EU has to find its place. And finally the third level of the Black Sea dimension goes beyond the Black Sea region's frontiers. The region interacts with the unstable region of Greater Middle East that will become more and more significant in EU external relations in the next years and decades. Therefore the importance of the Black Sea region for the EU as a whole will also increase.

New perception of individual Eastern neighbours

After the “Big Bang” enlargement Ukraine was perceived within the EU as a neighbour of the new member states in East Central Europe, namely Hungary, Slovakia and Poland. The entry of Bulgaria and Romania into the Union modifies the EU perception of Ukraine which beside links with Hungary, Slovakia and Poland is also seen as a Black Sea country with complex relations within the Black Sea region.

In the case of Moldova, its proximity to Romania, which includes geographical as well as cultural closeness, becomes one of the most important factors for the EU. A huge number of Moldovans have dual citizenship, Moldovan and Romanian. Thus, the EU will face the problem of several hundred thousands of EU (Romanian) citizens who live outside the EU in a neighbouring country without a membership prospect. This phenomenon is a new challenge for the EU.

The South Caucasus countries covered by the ENP (Georgia, Armenia and Azerbaijan) become closer to the EU due to enlargement to the Black Sea region through Bulgaria's and Romania's membership. The problem is increasingly recognised within the EU¹⁶.

The EU enlargement towards the Black Sea creates a new aspect of EU-Russia relations. The Black Sea region is strategically important for Russia. Growing Western (EU, NATO and US) presence in the Black Sea region can provoke tensions between Russia and the EU. Direct energy supplies from the Caspian Sea area to the EU, bypassing Russia, and frozen conflicts in the post-Soviet area are examples of possible misunderstandings between the EU and Russia.

And finally the position of Turkey vis-a-vis the EU changes significantly with Bulgaria's and Romania's membership. Turkey has traditionally been the great power of the Black Sea region. Therefore the EU's presence in the region implies a growing role of Turkey for the EU as a whole. The EU cannot develop a coherent and successful policy towards the Black Sea region without Turkey's support. Close contacts between Romania and

Bulgaria on the one hand and Turkey on the other, especially in the economy, are just one aspect of Ankara's importance at the regional level.

Region or transit zone – what kind of approach will the EU take?

Is the Black Sea area a region or merely a transit zone for the EU? This question is crucial if we think about the EU's perception of the Black Sea dimension. The EU does not have a single policy towards the Black Sea area, but instead, there are three EU policies now: enlargement process (Bulgaria, Romania and Turkey), the ENP (Ukraine, Moldova and South Caucasus countries) and 'strategic partnership' with Russia. It means that the EU lacks a regional approach towards the Black Sea area¹⁷. Some EU politicians and experts seem to acknowledge the new realities and try to promote the new EU approach to the Black Sea region¹⁸, but so far EU engagement in the Black Sea region is insufficient. Nonetheless, the EU is more visible in the Black Sea area today than it was in the 1990s, and there is even an opinion that the EU is becoming a Black Sea power¹⁹.

At the same time co-operation among Black Sea states is still weak and there are many tensions between them. The Black Sea identity is still underdeveloped in the Black Sea countries, although it has strengthened since the early 1990s. Therefore the question whether the Black Sea region exists is reasonable. The answer is not simple, but one can say that the Black Sea area is more of a region today than it was 15 years ago. The Black Sea Economic Cooperation Organisation (BSEC) established in 1992 is an example of growing regional identity, although the organisation is often accused of over-bureaucratisation and low efficacy. The Black Sea Forum for Dialogue and Partnership, a new Romanian initiative strongly supported by President Traian Basescu, is another example of closer cooperation in the area. The first summit took place in June 2006 in Bucharest.

It is also worth mentioning two other international initiatives that are partly related to the Black Sea area. The first of them is the Organisation for Democracy and Economic Development (former GUAM) created by some Black Sea countries – Georgia, Ukraine, Azerbaijan and Moldova – at the Kyiv summit in May 2006. The second initiative is the Community of Democratic Choice established in December 2005 by nine countries: Ukraine, Georgia, Lithuania, Latvia, Estonia, Romania, Moldova, Slovenia and Macedonia. Geographically the Community is broader than the Black Sea area, but Black Sea states are at the core of the initiative.

It should be stressed that the Black Sea region is closely linked to and partly overlaps with two other regions vital for the EU: the Balkans and Greater Middle East. There are many political and economic ties between the Balkans and the Black Sea region. Bulgaria, Romania and Turkey belong to both regions. There are also important interconnections (natural links) between the Black Sea region and Greater Middle East, especially in the case of Turkey and South Caucasus states. This important geographical location of the Black Sea region should be taken into account by the EU.

In order to better realise the challenges which are posed for the EU by the Black Sea dimension, it is worth taking a look at the similarities and differences between the Black Sea region in 2006 and the Baltic Sea region at the beginning of 1990s. Looking at the Black Sea region in 2006 from the perspective of European integration we see the following structure:

- one EU Member State – Greece (geographically Greece does not belong to the Black Sea region, but it takes part in Black Sea co-operation, above all as a member of the Black Sea Economic Organisation, and it perceives itself as a Black Sea state);
- two accession countries – Bulgaria and Romania;
- countries with EU aspirations – Turkey (already a candidate), Ukraine, Moldova and Georgia;
- and finally, Russia which does not seek EU membership.

The above-mentioned structure is quite similar to the situation in the Baltic Sea region in the early 1990s:

- two EU Member States – Germany and Denmark;
- two accession countries – Finland and Sweden;
- countries with EU aspirations – Estonia, Latvia, Lithuania and Poland;
- and finally, Russia which did not seek EU membership.

Now, a dozen years later, all the Baltic Sea countries, excluding Russia, are EU Member States, and the Baltic Sea has become almost a Mare Nostrum of the EU. The comparison between the Baltic Sea region and the Black Sea area does not mean, however, that the latter will take exactly the same path to the EU and all the Black Sea countries, excluding Russia, will join the EU in the future. The EU accession of Black Sea countries is more difficult because of the internal situation in these countries, the role of Russia in the region, and enlargement fatigue in the EU.

There is another similarity between the Black Sea and Baltic Sea regions: the double enlargement of the EU and NATO. The three Baltic states (Estonia, Latvia and Lithuania) and Poland have become NATO and EU members. The same applies to Bulgaria and Romania which are already NATO members and will become EU members soon. This phenomenon should also be taken into consideration in the EU.

3.2. New sources of energy

The Black Sea area would be important for the EU in the context of energy supplies also without Bulgaria and Romania membership, but their entry into the Union (and Turkey's accession negotiations) strengthen the role of Caspian and Russian oil and gas for the EU. All Caspian oil and gas and part of Russian gas and oil are transported to the EU through the Black Sea region.

Caspian oil and gas will become increasingly significant for the EU's energy supplies in the next years as an additional source for several old and new member states. Natural gas from the Caspian Sea area will be particularly important for the south-eastern parts of the

EU. Two countries – Georgia and Turkey – will play a crucial role in Caspian oil and gas transit. Two big infrastructure projects – the Baku-Tbilisi-Ceyhan oil pipeline (already operating) and the planned Baku-Tbilisi-Erzurum gas pipeline – create a new Georgian-Turkish corridor of energy supplies to the EU. The role of Turkey will be even more important due to the decision to construct the Nabucco gas pipeline which will connect the Baku-Tbilisi-Erzurum gas pipeline with the EU through Turkey²⁰. The Nabucco pipeline could also be used for gas supplies from Iran to the EU. The new Georgian-Turkish corridor is supported by the US and the EU politically and also financially, for instance, through loans from the European Bank for Reconstruction and Development.

Apart from Georgia and Turkey, Ukraine could become an additional corridor for Caspian oil thanks to the planned Odessa-Brody-Gdansk oil pipeline. Caspian oil would be transported on the Black Sea by tankers from the Georgian oil terminal Supsa to Odessa and then to the EU through the pipeline. New corridors of energy supplies to the EU make possible the transport of Azeri oil and gas and could also be used for transporting oil and gas from Kazakhstan and Turkmenistan in the future²¹.

Caspian oil and gas are important for the EU for two reasons. First, they will become an additional source of energy for the EU. However, Caspian oil and gas cannot replace current sources, including Russia, but they can help to diversify supplies for the EU. Second, EU engagement in Caspian oil and gas and the building of new infrastructure makes Georgia, Ukraine and Azerbaijan more self-sufficient and less subordinated to Russia in energy matters. Caspian oil and gas imports to the EU strengthen links between the Southern Caucasus, Ukraine and the Union. This may provoke tensions between Russia and the EU because Russia is not interested in an energy supply corridor from the Caspian Sea area to the EU which bypasses Russia.

Despite this corridor Russia remains a central player in energy matters in the Black Sea region due to oil exports from terminals in Novorossiisk and Tuapse through the Black Sea to European markets. It also supplies natural gas to Black Sea states including Romania, Bulgaria and Turkey, for instance, using the old gas pipeline going through Ukraine, Moldova and Romania to Bulgaria and the new Blue Stream gas pipeline to Turkey on the bottom of the Black Sea. The Blue Stream pipeline could be used for supplies to the EU through the Nabucco pipeline in the future.

3.3. Diverse security concerns

Hard security issues were practically absent in the 2004 enlargement, but this is not the case with the accession of Bulgaria and Romania. At least two security issues connected with the Black Sea region are important for the EU as a whole. The first of them is the nearness of the Black Sea region to the Greater Middle East. The second issue is about frozen conflicts in the Black Sea region which are a Soviet legacy. Both issues should be perceived by the EU as a real challenge after the enlargement of 2007/8.

The importance of the Black Sea region for stability in Europe and relations between the EU (Euro-Atlantic community) and the Greater Middle East has already been recognized

by experts²². Growing US presence in the region, as demonstrated, in particular, by the decision to build new military bases in Bulgaria and Romania, indicates the increasing significance of the Black Sea region for Washington. The above-mentioned double enlargement proves that not only the EU but also NATO plays a bigger role in the Black Sea region than some years ago.

The EU and the US understand that cooperation between them is indispensable for resolving the frozen conflicts in Moldova (Transnistria), Georgia (Abkhazia and South Ossetia) and between Armenia and Azerbaijan (Nagorno-Karabakh)²³. But Russia's engagement in these conflicts remains one of the main problems. Russian authorities try to use the frozen conflicts in order to maintain their influence in the region and stop the integration of Georgia, Moldova and Azerbaijan with Western institutions²⁴. Furthermore, the resolution of frozen conflicts, particularly in South Caucasus, is crucial for the security of above-mentioned oil and gas supplies from the Caspian Sea region.

The Black Sea security issues are related not only to hard security but also soft security. With the entry of Bulgaria and Romania the EU faces challenges similar to the Big Bang enlargement of 2004, such as cross-border crime, illegal migration, human trafficking, drug trade, etc. These issues are part of EU Justice and Home Affairs, but they are closely connected with frozen conflicts due to uncontrolled borders and bad governance. The EU has already acted against illegal trade and smuggling between Transnistria and Ukraine by establishing an EU border mission on the Moldovan-Ukrainian border.

EU membership of Bulgaria and Romania might strengthen borders as barriers and diminish cross-border cooperation and people-to-people contacts within the Black Sea region. The future participation of Bulgaria and Romania in the Schengen agreement is likely to require a less liberal visa regime between them and other states in the region.

4. New Member States from Estonia to Bulgaria – between homogeneity and heterogeneity in their approach towards Eastern neighbours

4.1. Learning to work through the EU

The new member states have more or less actively aimed to contribute to the EU's policy towards the Eastern neighbourhood, to some extent even before their accession to the EU. Poland, in particular, has seen EU membership as an important instrument for promoting Polish views on relations with Eastern Europe. Since May 2004, the newcomers have gradually learned to promote their views as full members in the EU institutions. There are notable differences between their visibility and leverage in different EU institutions, which is due to the different powers and nature of each institution.

The new members have been most outspoken on the EU's Eastern policies in the European Parliament. Yet this has translated into influence on the policies to a limited extent, since the EP has a rather marginal, although strengthening role in EU foreign

policy. Above all, the Parliament is a discussion arena that can direct the attention of other EU institutions, member states and the broader public to certain matters. On foreign policy issues, the EP often pursues more idealist views than official policy – for example, it has been an active proponent of democracy promotion and expressed rather tough criticism towards Russia.

During the Orange Revolution in Ukraine, the EP played an exceptionally strong role, largely thanks to the activity of the representatives of Poland and other new member states. During the Ukrainian crisis, the EP adopted three resolutions on the situation in the country and sent in three delegations. In early December 2004, after the second round of elections and the outbreak of mass demonstrations in Kyiv, the EP issued an exceptionally strong position, condemning the elections and calling for a renewed round²⁵. In a resolution adopted in January, the EP welcomed “a victory for democratic values” and called for “giving a clear European perspective” to Ukraine, which would possibly lead to full membership²⁶. The resolution was supported by an overwhelming majority of MEPs.

The enthusiasm of the Parliament was rejected by the Council and the Commission that were reluctant to take the question of Ukraine’s membership prospect on the agenda. The Constitutional crisis that evolved in the Union in 2005 changed the mood also in the Parliament. Once it became clear that further enlargement was not politically attainable in the near future at least, voices calling for alternative ways to integrate the Eastern neighbours gained popularity among the MEPs. At a debate on the ENP in January 2006, the EP took a considerably more cautious position than a year before, merely recognising the possibility of membership for some neighbours, such as Ukraine and Moldova²⁷. Representatives of Poland, the Baltic states and to a lesser degree other new member states, as well as some MEPs from old member states (above all, the UK and the Nordic countries) continue to support Ukraine’s aspirations but they are no longer able to mobilise a majority in the EP.

In line with its generally idealistic foreign policy orientation, the EP has expressed strong criticism towards the authoritarian rule in Belarus. Like with Ukraine, the most active countries have been Poland and Lithuania that have traditionally close ties with Belarus and are most strongly affected by the future of the country. Through its resolutions and other activities, such as an observation delegation to the latest presidential elections that received wide publicity because it was denied visas, the Parliament has contributed to mobilising the EU’s attention towards Belarus.

Polish and Baltic MEPs have also been outspoken in demanding a tougher approach to Russia, in particular with regard to democracy, civil society and human rights. Another issue that is of great symbolic and moral importance to them is dealing with the Soviet history. They expect Russia to admit its responsibility for the Soviet occupation. On the initiative of several new member states’ delegates, the European Parliament adopted a resolution in May 2005 that commemorates the victims of Nazism, fascism as well as Soviet tyranny²⁸.

The presence of the new member states in the Council, which is the decision-making body in the Common Foreign and Security Policy, has not caused major problems for the overall functioning of the institution. Contrary to the fears widely expressed before the enlargement that it would be impossible to reach agreement among 25 member states, the Council meetings have run surprisingly smoothly. The nature of the meetings has changed, however, due to the grown number of participants: there is no longer the same feeling of intimacy as before, discussion is more formal, and the preparation of decisions beforehand is crucial.

The new members have made a considerable difference to the Council debates and decision-making as far as Eastern Europe is concerned. The most significant and widely known example is the activity of Poland and Lithuania during Ukraine's crisis in late 2004 when the presidents of the two countries together with Javier Solana, High Representative for the CFSP, played a significant role in resolving the crisis. The new member states have also been active in bringing up the situation in Belarus and contributing to a stronger EU policy against the Lukashenka regime. Their expertise on the new neighbours is widely acknowledged and their views are taken seriously, though not necessarily shared, by other member states.

Perhaps the most significant impact of the new member states on the CFSP as a whole is a change in the EU's attitude towards Russia. There is nowadays tougher debate in the Council on Russia, and the EU's attitude has become more critical – which, as noted above, is not only a result of the activity of the new members, but also of the worrying developments in Russia. The “Russia first” approach towards Eastern Europe has weakened, although not disappeared. Hence, the EU no longer approaches the CIS countries mostly through Moscow as it used to do. Its policy towards Ukraine and the other new neighbours is becoming more and more distinct from its policy towards Russia.

In the Council framework of intergovernmental cooperation, the new member states have made several attempts to develop co-operation with old members on EU policy towards Eastern Europe. To mention some examples, Lithuania made an initiative to hold informal meetings of member states interested in Eastern neighbours before the General Affairs and External Relations Council (GAERC) meetings; Poland developed joint positions with Germany on Ukraine in 2004-5; and Latvia represented the Austrian presidency in Belarus in the first half of 2006, which was a very positive experience of making use of the special expertise of a new member state.

Although it is the Council that decides on common foreign policy, the Commission has played a central role in designing the ENP, and it is also responsible for the implementation. In comparison with the Council that tends to focus on burning and visible matters, the work of the Commission is long-term, slow and low-key. Although the Commission officials are strictly committed to pursuing the interests of the Union as a whole, as opposed to pursuing national positions, the representation of different member states in the Commission is of huge importance. During the first years of membership, the newcomers have been underrepresented in the Commission (apart from appointing one commissioner each), as the recruitment of new personnel takes place gradually. The

presence of the new members' perspectives in the Commission is thus only starting to be felt.

Politicians and diplomats of the new member states have had little sympathy for the cautious and lukewarm attitude of the Commission and several old member states towards the new Eastern neighbours. Especially the new member states' MEPs have strongly criticised the EU and the Commission in particular for lack of commitment, ideas and will to truly promote European-oriented reforms in the neighbourhood. The frustration of the new member states is understandable, but it should also be noted that EU policy and views presented by the Commission reflect and are dependent on the political positions of member states. A strongly confrontational attitude may do more harm than good for promoting one's own ideas.

4.2. Similar interests and aims

The orientation of new member states towards the Eastern neighbourhood is in many respects similar. However, the common interests and aims outlined in this section are more often just similarities rather than issues that the new members have worked on together in a coordinated manner.

The main common position is advocacy of a more engaged EU policy towards Ukraine, Belarus, Moldova and the South Caucasus countries. In addition to pushing the EU to become more engaged, the new members have active bilateral relations with their Eastern neighbours, aiming to spread European norms and values further to the East. The concept of ENP has been a huge disappointment for the new members that have always emphasised the need for a specific policy for Eastern neighbours. The eventual aim of that policy should be further enlargement towards the East. Not all new members, however, are equally committed to defending the membership of Ukraine and other Eastern neighbours. Poland and Lithuania, the most ardent proponents of enlargement, do not necessarily receive strong support in this respect from the Czech Republic, Hungary and Slovakia, although the latter countries are not against enlargement, either. It should also be noted that Estonia has shown less activity and enthusiasm as regards the EU's policy towards the new neighbours than the two other Baltic states, apart from being the most active supporter of Georgian reforms.

There is a similar distinction in the foreign policy thinking of the new EU members between Russia on the one hand and other Eastern neighbours on the other hand. It is a kind of two-track policy towards Eastern Europe: while the new members hope for Ukraine, Moldova and Belarus to become fully integrated into the EU, Russia is perceived as an external partner in the European integration process. Russia is obviously an important partner but it is a separate regional power that, in spite of EU rhetoric on common values, does not share the same European values as the EU. There is little optimism about the potential of the EU to promote the democratisation and Europeanisation of Russia. By contrast, the EU is seen as a key actor in supporting transition in Ukraine and other new Eastern neighbouring countries. In the perception of

new EU members, these countries are undoubtedly part of Europe and should be integrated with the EU – a view that is not shared by many old member states that tend to see the Eastern neighbours as “others” or “outsiders”.

The activeness of the new members in relation to other Eastern EU neighbours has to be seen not only as a policy towards the respective countries but also as an indirect Russia policy, which is no less important. It is aimed at reducing Russian threat by shifting the EU border – and thus the border between East and West – further to the East.

The new member states, particularly Poland and the three Baltic states, are concerned about future developments in Russia. The promotion of European values and norms in the EU’s new Eastern neighbouring countries is seen as a way to put pressure on Russia to move in the same direction and to abandon its imperialist aspirations. The European integration of Ukraine, in particular, is an essential factor for the development of Russia. If Ukraine is successful in its European-oriented reforms, it will be a model for Russia. If Russia nevertheless continues to move towards authoritarianism, the Eastern EU members hope that the countries in between will constitute a buffer against it. This is one of the issues on which the new EU countries appear to be closer to the US than to the old member states: it is a geopolitical interest and strategic goal of the US to prevent the supremacy of Russia in the CIS region (although the official position of the US holds that the CIS countries’ good relations with Russia and their integration into the Euro-Atlantic structures are not mutually exclusive options).

The tension between the EU and Russia over their common neighbourhood is certainly not eased by the fact that the most vigorous advocates of the new Eastern neighbours within the EU are themselves former Eastern bloc countries. For the latter, this issue involves a strong symbolism and solidarity among nations that have been suppressed by Russia, dating back to the Soviet time and beyond. Having detached themselves from the Russian sphere of influence and successfully completed their transition to democracy and the market economy, the new EU countries are now eager to pass on their knowledge and experience to other former Eastern bloc countries that are still struggling with similar problems.

Democracy building in the Eastern neighbourhood is a common mission for all new member states. Their foreign policy is more idealistic than that of many old member states because of their shared experience of having lived under totalitarian rule. Their strong sympathy for pro-democratic forces in Belarus, for example, is partly explained by the relatively fresh memories of their own fight against a totalitarian regime. It is possible that this kind of idealism will gradually fade away as such experiences become more distant²⁹. On the other hand, the efforts of new member states to promote democracy are becoming institutionalised and may thus become rather consistent and long-lasting elements of their foreign policy. To give some examples that are not directly related to EU policy, in 2004, the Czech foreign ministry created a new unit to deal with democracy promotion, and in 2005, the Hungarian government established the Center for Democratic Transition that supports democratic reforms in neighbouring countries and globally. The new EU members are also actively engaged in regional democracy

promotion initiatives such as the above-mentioned Community of Democratic Choice that involves four new member states and Romania.

Another common legacy of the new member states from the Soviet period is dependence on Russian gas and oil. The Baltic countries and indirectly Poland and Bulgaria, for instance, have themselves experienced Russian attempts to use energy as a tool of political power³⁰. However, the issue of Russia's reliability as an energy provider emerged on the EU's agenda only recently as a result of the Russian-Ukrainian gas dispute. Because of their own vulnerability, the new member states are among the strongest supporters of the EU's efforts to develop a common energy policy. They are also most interested in pressuring Russia to sign the Energy Charter.

As the new member states, with the exception of the Czech Republic, share a common border with one or several Eastern neighbours, they also have a special interest in developing cross-border cooperation as part of the neighbourhood policy. De-centralised management of cross-border cooperation in the EU gives an important role to national and local authorities. There is currently scope for more coordination and learning from each other's experiences, as well as making better use of the EU instruments. In order to advance cross-border linkages, the new EU members and neighbours have a common interest to promote visa facilitation by the EU, and improvement of border control and infrastructure in the border regions.

Although cross-border cooperation is a local level and relatively low-key activity, it is strongly influenced by political relations between respective countries. The difficulties in relations between the Baltic countries and Russia have hindered cross-border cooperation, and the projects that have been carried out have been assessed by the participants as inefficient. There have been more positive experiences in the Polish-Ukrainian and Hungarian-Ukrainian border regions, but there is also a large potential to enhance cross-border interaction between these countries.³¹

Last but not least, it is well known that the new member states stress the importance of good transatlantic relations and cooperation with the US in general and specifically with regard to Eastern Europe. As stated above, the latest enlargement of the EU was in fact a double enlargement of the EU and NATO. Membership in these two organisations was equally important for the East Central European countries that regard the US as their main security ally.

The Atlanticist orientation of the new EU members is partly explained by the fact that the US has been more engaged in supporting pro-democratic movements in Eastern Europe and more outspoken in criticism of authoritarian tendencies in Russia than the EU. The Americans have also shown more sympathy for and understanding of the aims and concerns of the new EU members vis-à-vis Eastern Europe. All of this explains the wish of new member states to keep the US present and engaged in the CIS. At the same time, however, the new member states realise that the EU is a more significant actor when it comes to promoting their long-term interests in Eastern Europe. The US has also

contributed to creating pressure on the EU to take more responsibility in its Eastern neighbourhood.

4.3. Differences along the Carpathian Mountains dividing line

In spite of the similarities examined above, the new member states are not a coherent group in their approach towards the neighbourhood of the EU. However, the differences do not negate similarities and their importance but show how complex is the behaviour of the new member states towards the EU's neighbours.

One can identify a 'Carpathian mountains dividing line' that divides the new member states into two groups: first, north of the Carpathian Mountains (three Baltic States and Poland), and second, south of the Carpathian Mountains (Czech Republic, Slovakia, Hungary, Romania and Bulgaria). The "North of the Carpathians" countries have only one neighbourhood, Eastern Europe, whereas other EU neighbourhoods, Western Balkans, for instance, play an insignificant role in their policies. They are focused on Russia, Ukraine and Belarus. The "South of the Carpathians" states, by contrast, have two neighbourhoods, also Western Balkans apart from Eastern Europe. They are often more interested in Western Balkans (particularly Bulgaria and Hungary) than in Eastern Europe. Their approach towards EU Eastern neighbourhood is different than that of the Baltic states and Poland because they perceive Eastern Europe partially through the Black Sea dimension. Furthermore, the Black Sea dimension is deeply connected with Western Balkans issues for new member states south of the Carpathian Mountains. In sum, their approach towards EU neighbours is much more complex than in the case of 'Northern Carpathian countries'.

The 'Carpathian Mountains dividing line' partly explains the difficulties in co-operation within the Visegrad Group (the Czech Republic, Slovakia, Hungary and Poland). In spite of similar interests, sometimes these countries cannot find a common position on matters concerning the Eastern neighbourhood. The Czech Republic, Slovakia and Hungary would like to see Poland more engaged in Western Balkans affairs. Poland, on its part, would wish a stronger involvement of the other Visegrad countries in (EU policy towards) Ukraine and Belarus.

The 'Carpathian Mountains dividing line' is also visible in the approach of the new member states towards Russia. As mentioned above, Poland and the Baltic states pursue a harder line, which is understandable due to their proximity to Russia and historical experiences (not only under the Soviet Union but also in Tsarist Russia). Russia has been perceived in the Baltic States and Poland as an invader and the main threat to their independence. 'South of Carpathian countries' present a softer line (but still harder than many old EU member states). The softer line results from a bigger distance from Russia and different historical experiences. It should be noted that Russia played a positive role in the history of several East Central European nations (Czechs, Slovaks and Bulgarians) in their struggle against Austria-Hungarian Empire and Ottoman Empire in the 19th and early 20th century. The difference between Northern and Southern Carpathian countries is

also emphasised by Russian authorities. President Putin did pay a visit of reconciliation to Prague and Budapest in late February-early March 2006 where he acknowledged Moscow's "moral responsibility" for the bloody Soviet suppression of the 1956 Hungarian uprising and for the invasion of Czechoslovakia in 1968, but has not made a similar gesture towards the Baltic countries and Poland.

The existence of Northern and Southern Carpathian countries as separable entities does not mean that each of the two groups is homogeneous. One can observe diversity within both groups caused by the size of the member states. There are two relatively large member states, Poland and Romania, which are both, however, smaller than the five largest EU countries. The other new members should be categorised as small member states. The size of member states leads to different ambitions in their policy towards EU Eastern neighbours. Poland and Romania would like to be regional players, although they avoid the term "leader", and to be active in the shaping of the EU and Euro-Atlantic policy towards Eastern neighbours³². The above-mentioned Romanian initiative, the Black Sea Forum for Dialogue and Partnership established in Bucharest in June 2006, should be considered in this context. Yet the interests of both Poland and Romania are narrower than Eastern neighbourhood as a whole. Poland tries to be the regional leader in East Central Europe and is aiming its efforts at the EU policy towards Ukraine, Belarus and Russia. Romania focuses its efforts on the Black Sea region. Thus the 'Carpathian Mountains dividing line' is even more noticeable in Poland's and Romania's activities concerning regional approach towards Eastern neighbourhood.

Small member states understand very well that there is a need for narrow specialisation in their policy towards Eastern Europe because they cannot play a decisive role in the EU policy towards Eastern neighbourhood as a whole. There are several examples of such specialisation: Lithuania and Latvia are becoming EU specialists on Belarus; the Baltic States are active in South Caucasus, especially Estonia in Georgia; the Czech Republic aims to be a specialist on Moldova; and Slovakia has chosen specialisation in Ukraine. This approach confirms the competence of small member states to act positively in the EU as they offer an added value to the EU policy towards neighbours through specialisation.

Differences are also created by the narrow interests of particular new member states in their relations with Eastern neighbours. It is a natural phenomenon that can be seen, for instance, in economic co-operation. Transit of goods and raw materials is very important for the Latvian (Ventspils Oil Terminal) and Lithuanian (Klaipeda Port) economy. The minority issue is seen as an important factor in the relations of several new member states with certain Eastern neighbours: the Russian-speaking minority is still a significant issue in the Baltic states, and the situation of the Hungarian minority in Ukraine and the Polish minority in Belarus are challenges for governments in Budapest and Warsaw. In this context, Moldova appears as a special case for Romania, because Moldovans are perceived as a brotherly nation or even as a part of the Romanian nation by many Romanians. Therefore the Romanian Government strongly supports Moldova's integration with the EU³³.

5. Co-operation and division of labour – thinking ahead

5.1. External and internal dynamics

It is easy to predict that the EU's policy towards East European countries will remain an important issue for the new member states in the future. Along with their similar interest in the Eastern neighbourhood, however, there are notable differences between the positions of the new members. Their similar but varied approach to the Eastern neighbourhood can lead to different kinds of relations among these countries – from co-operation through division of labour to disagreements and even rivalry – as regards their policy towards East European countries.

At least three factors are important for the new member states' policy towards Eastern neighbours and the shape of relations among the new member states with regard to their policy towards Eastern Europe.

First, a lot depends on developments in Eastern European countries in the next few years or a decade. Ukraine, Moldova and Georgia will probably follow further the path towards European standards. This is more likely for Ukraine and Moldova, although many internal problems in those countries may arise, which will possibly impede political and economic reforms. The situation in Georgia will probably be more difficult due to a danger of political instability within the country. Ensuring political stability will be a real challenge for the Georgian political elite, especially in the dimension of relations between central authorities and local elites.

Russia will move towards an authoritarian regime in the next few years. As long as Lukashenka stays in power, Belarus will remain a real authoritarian regime. However, the Lukashenka regime will fall sooner or later, and the situation in Belarus will be unpredictable. This means that the country may become more democratic. Armenia and Azerbaijan will continue to be somewhere between democratisation and autocratic tendencies. Armenia is more likely than Azerbaijan to move towards European standards.

It should be underlined that a growing gap between Ukraine, Moldova, Georgia (and maybe also Armenia) on the one hand and Russia (plus Belarus under the Lukashenka regime) on the other hand will become increasingly visible in the next years.

All of the new member states will have to respond to these developments in Eastern Europe.

The second factor concerns the situation within the EU. The ongoing constitutional crisis is one of the main internal challenges of the Union, which influences directly and indirectly the EU's policy towards the Eastern neighbours. The new member states have limited possibilities to promote their proposals concerning the EU policy towards the Eastern neighbours if the constitutional issue is not resolved.

The third factor is related to internal dynamics in the respective new member states. Changes of ruling elites in those countries may bring about visible shifts in their foreign policy. The euro-sceptic positions and more assertive foreign policy of the new Polish President and Government are an example of the kind of changes that may occur in the future. Another example is Hungary where the Socialists have been the leading party in government since 2002 and won again the latest parliamentary elections of April 2006. The Socialists have been criticised by right-wing forces in Hungary for turning a blind eye to the violations of democracy and human rights in Russia and giving too little support to Ukraine. A right-wing government would bring Hungary closer to Poland as far as Eastern policy is concerned.

5.2. Overcoming disagreements

There are several disagreements and difficulties that may appear in the near future among the new member states with regard to their approach to the Eastern neighbours.

First of all, we may become witnesses of competition between the Baltic states and Poland on the one hand and the Czech Republic, Slovakia, Hungary, Romania and Bulgaria on the other. The former can be expected to be interested in stronger EU engagement and assistance especially towards Belarus and Ukraine; the latter, especially Romania and Bulgaria, will probably insist on increasing attention and assistance to the Black Sea region, which includes to some extent Ukraine but not Belarus. The Czech Republic, Slovakia, Hungary, Romania and Bulgaria will strongly support EU engagement in the Balkans which is obviously a very important, even crucial neighbourhood for them. The Balkans region, however, is not a high priority for the three Baltic states and Poland.

Also, when it comes to policy towards Russia there seems to be an increasing gap between Poland and the Baltics on the one hand and the rest of the new member states on the other – not rivalry, but no cooperation either.

Finally, it is possible that a growing importance of narrow interests – a kind of parochialism – could be more visible in the future than today in the behaviour of new member states. Some differences could create even rivalry among the new EU members.

Overcoming disagreements or even rivalry in the policy towards the Eastern neighbours should become a priority for all the new member states. It is probably not always feasible, but the new member states should try to diminish differences and bring an added value to the EU policy towards the Eastern neighbours. They face at least the following challenges:

- 1) Thinking in a broader perspective, overcoming parochialism and transforming their narrow interests into the resolution of common, European challenges. This problem concerns not only small member states but also Poland and Romania. For instance, persecutions of Polish minority organisations in Belarus by the Lukashenka regime

should always be seen by the Polish authorities as an example of action against Belarusian civil society in general. Romanian support for Moldova could be to some extent a positive example of assistance that helps to resolve the frozen conflict.

2) Overcoming the “Carpathian frontier” by both sides. It would be a very significant manifestation of a broader perspective in practice. There are already positive examples – the engagement of the Baltic states, especially Estonia, in the democratisation of Southern Caucasus, and the Czech Republic’s firm position and efforts against the Lukashenka regime.

Better co-operation among both the Visegrad and Baltic countries and, at least as importantly, between the two groupings would be a proof that the Carpathian Mountains dividing line can be overcome.

3) Creating different ad hoc constellations among the new member states in order to deal with concrete actions concerning the Eastern neighbourhood. Such ad hoc groupings should be built after consulting other member states, new and old, that may not wish to become directly engaged. This kind of approach could create more transparency and synergy within the EU.

4) Division of labour and coordination. It would be extremely important to increase co-operation and coordination among the new member states in the cases of specialisation (see Chapter 3). It is obvious that the new member states have active bilateral policies towards different neighbours. Those policies should be coordinated better than they are now. The new member states could choose different neighbours as a subject of specialisation in the framework of EU policy, as they are already doing to some extent, and at the same time make joint efforts concerning the neighbourhood and coordinate their bilateral activities. Such activities would bring an added value and help to avoid overlaps.

5) Transmission of the Baltic Sea region’s experiences to the Black Sea region. The Baltic states together with Scandinavian countries could offer their best practices of regional co-operation between EU member states and non-EU countries in the Baltic Sea region in the 1990s. Scandinavian assistance to the three Baltic states is an example for current relations between EU members and non-members. This transmission of experiences should not, however, be limited to success stories but also include setbacks and problems of the Baltic Sea region co-operation in the 1990s. This activity could be an important example of a broader perspective and could help to overcome the “Carpathian frontier” by four new member states, namely Estonia, Latvia, Lithuania and Poland. (However, it should be noted that Poland was much less engaged in the Baltic Sea co-operation and its experiences in that field are limited.) The engagement of these four countries in the Black Sea region would be fruitful and would help to advance their interests elsewhere because this region will become crucial in the future for the EU as a whole (as noted in Chapter 2).

6) Seeking a common approach to Russia. In spite of some differences in their views on Russia, the new member states share a strong interest in a common EU policy towards Russia, not only regarding energy. Their interests would very often be better protected by an EU policy than their bilateral relations with Russia because these countries are too weak and are not perceived by Russian authorities as equal partners. The new member states should be in favour of the Commission's efforts to promote a common EU policy towards Russia and insist that member states stick to it rather than undermine it through their bilateral relations with Russia.

5.3. A common agenda

In spite of notable differences between the new member states' priorities in the Eastern neighbourhood, there is a whole range of issues where there is scope for coordination and cooperation among the new members together with some old member states that share similar views.

The list below is by no means exhaustive. It deliberately focuses on the new EU neighbours rather than Russia because the new member states have better preconditions for influencing and taking an active role in an EU policy towards the new neighbours than the EU-Russia policy. They are more welcome to contribute to the neighbourhood policy, whereas in EU-Russia relations, their position is more difficult because of their problematic bilateral relations with Russia, and they tend to be seen as a burden or nuisance by old member states. Nonetheless, this definitely does not mean that the new member states should be absent from the formulation of the EU policy towards Russia. It is crucial for the new members to continue working against the "Russia first" -attitude and contribute to specific policies for each Eastern neighbour. As stressed above, the development of Russia is strongly influenced by the orientation of the common neighbours of the EU and Russia. It is difficult to influence Russia directly, but an indirect impact through the common neighbours can be essential over a longer term.

There is potential for the new member states to pursue common interests and goals at least in the following areas:

1) Democratisation of the post-Soviet space is in a fragile phase and external support from the EU is essential. This issue will remain an important shared priority of the new member states that all have their own fresh experience that is helpful for the neighbours and for the development of EU policies.

2) The new members continue to support the European perspective and integration of Ukraine and other new neighbours that are committed to European-oriented reforms. Although the Czechs, Hungarians and Slovaks are not as enthusiastic about future enlargement as the Poles and Balts, they all have a strong interest in integrating the neighbours.

3) The new member states remain excessively dependent on Russian gas and oil, and it is therefore vital for them to promote the EU's common energy policy. First, it is in their interest to pressurise Russia to accept the EU's demands, including the signing of the Energy Charter, and second, to develop alternative energy sources that would reduce their dependence on Russia.

4) In order to advance the integration and development of neighbours and to maintain historically close contacts, the new member states continue to support closer people-to-people contacts with neighbours, including cross-border cooperation, student exchange, contacts between cultural and professional groups, etc.

5) Visa liberalisation for Eastern European countries is an issue where it is very difficult to reach political agreement in the EU because of the strong domestic pressure in the member states to protect the borders. The new member states have gone through a lengthy process themselves in this issue, and their support is needed for facilitating visa policies towards the neighbours.

6) The frozen conflicts in the Black Sea region (Transnistria, Abkhazia, South Ossetia and Nagorno-Karabakh) complicate the democratisation of post-Soviet states, Georgia and Moldova especially. It is particularly worrying that Russian authorities try to provoke further tensions in conflict areas, which may make it impossible to resolve the frozen conflicts. This goes against the aim of the new member states to support democratic reforms in the post-Soviet area. The new EU members cannot act on their own in this matter, but they should make better use of CFSP instruments and insist on deeper EU engagement in resolving the frozen conflicts in the Black Sea region.

7) The new member states face a growing problem of shortage of labour caused by low birth rates and ageing population. Eastern neighbours are for them the best possible source of new labour force. Thus, the new Member States have a common interest in a coordinated migration policy that would help them to bring in needed new workers. This is obviously a very delicate and politically controversial issue, especially for Estonia and Latvia that are small nations and already have big Russian-speaking minorities. Furthermore, in some new member states, most notably Poland, there is high unemployment which could cause negative attitudes towards foreign workers, although at the same time there is lack of skilled labour force in many fields.

5.4. How to improve the existing EU instruments?

The new member states should intensify their efforts to strengthen the EU's external policy in general and especially to improve the instruments appropriated for the Eastern neighbours, because they can better promote their interests and ideas concerning the Eastern neighbourhood at the EU level than at bilateral or regional levels (this does not mean, of course, that the two latter levels do not matter).

The fundamental goal that underlies the more specific interests of the new EU members is to promote a similar development in the neighbouring countries as the new member states themselves have accomplished. The most powerful instrument for supporting transition in the Eastern neighbourhood would be enlargement, but as we know, this tool is not available for the time being. It is important that the new member states keep this question on the EU agenda, look for allies among old Member States and work for the full integration of Eastern neighbours. However, as long as the membership or even membership prospect of the new neighbours is not in sight, one should not concentrate too much energy on this question, but try to support reforms in the neighbourhood as much as it is possible with current policy instruments.

The ENP is less effective and more problematic as a means to extend the EU's norms and values to the East, but the EU's support to the Europeanisation of neighbours can be improved within the ENP framework, through measures that do not require a major change of strategy. As for Ukraine, Moldova and other neighbours that are willing to adopt European norms, the EU and the neighbours should make better use of the ENP Action Plans – which they are gradually learning to do. It is important to translate the priorities of the Action Plans into more concrete and realistic guidelines and harness the Action Plans more effectively for the reform agendas of the neighbouring countries' governments. The neighbours' ability to implement the Action Plans obviously depends on the competence and commitment of officials, and it is therefore essential to strengthen the capacity of the institutions responsible for implementation.

One of the key aims of the ENP is to support civil society in the neighbourhood. In order to pursue this goal, the ENP could be developed into an effective tool for promoting cooperation between civil society and the state. This would require consistent inclusion of civil society on the agenda of political dialogue between the EU and neighbouring governments, as well as the involvement of NGOs in the preparation and implementation of the ENP action plans. The EU can encourage public authorities to include NGOs in the political process and to seek partners among non-state actors. The governments of Ukraine and Moldova, for example, would also need assistance and expertise in order to improve the legislative environment of NGO activities so as to create a more favourable taxation system and encourage local philanthropy. It is important to involve in these efforts NGOs from the new member states that have a fresh experience of establishing working relations with the political structures in their countries.

The EU could also introduce systematic democratic conditionality into its relations with neighbours and consistently reward governments that are committed to democratisation. This can be done by establishing a clear linkage between progress in democratisation and overall assistance given to governments. The EU can also offer other “carrots” such as visa facilitation and access to the internal market, but it is more complicated to link these rewards systematically to democratisation mainly because of the difficulty in reaching political agreement among member states, keen on protecting their borders and markets.

When it comes to conditionality with regard to EU assistance, it is worth stressing that democracy aid as such is not conditional – it is neither offered as a carrot to reform-

mind countries nor used as a stick against non-democracies. Civil society and the independent media need at least as much, if not more, aid in repressive societies such as Belarus as in democratizing countries. Thus, the EU should give more overall assistance to governments that are committed to democratic reform, and more democracy aid, with a focus on civil society, to countries that are non-democratic. It should be easier to apply consistent conditionality from the next year on when the new financial instrument, the ENPI, will replace the messy constellation of previous aid programmes.

The EU needs better instruments to assist civil society in all external countries and in particular pro-democratic groups in authoritarian countries. Several experts have called for the establishment of a European democracy foundation that would provide a valuable new instrument³⁴. The new member states should express clear support to that proposal. Many Western countries channel some of their external aid through foundations that are formally independent from the state. Their activity is in line with official foreign policy and thus helps to pursue the overall goals of external aid. The most significant foundations of this kind are the German *Stiftungen* that have made an essential contribution to democratisation in many countries, including Eastern Europe. Another important model for the EU is the US National Endowment for Democracy.

In comparison with official foreign aid, foundations are more flexible and innovative and less bureaucratic, as they are not constrained by the same legal and procedural requirements as government agencies. They are therefore much better than governments at acting in non-democratic countries and supporting civil society. The ability of foundations to work in non-democratic countries should be stressed in particular with a view to the difficulties faced by the European Commission in promoting civil society and human rights in Belarus. An independent foundation would enable the EU to support Belarus in a much more effective and flexible manner than what is possible through the Commission programmes. Meanwhile, the Commission should continue to focus on the type of assistance where it is relatively strong, above all aid to governments that carry out political and economic reforms.

The EU and the US try to coordinate their policy and activities focusing on Eastern Europe. The new EU member states should strongly support those efforts and use existing instruments of EU-US relations, EU-US summits for instance, to promote further common transatlantic policy towards the Eastern neighbours. It does not mean that the new member states should support all American initiatives concerning Eastern Europe, but they should make an effort to build a common EU-US approach towards that part of Europe. Thus the new member states' Atlanticist orientation would be utilised for the creation of better understanding between the EU and the US, at the same time avoiding the creation of divisions within the EU. The new EU countries should also promote cooperation between the EU and NATO in Eastern Europe and aim to coordinate the efforts of the two organisations to support democratisation in the region. The role of NATO in the transformation of Ukraine, Moldova and Georgia is particularly important as long as these countries do not have a chance to join the EU.

6. Conclusion: from national activity to European strategy

The new member states have increased the attention and activity of the EU with regard to the Eastern neighbourhood but their ability to actively shape a common EU policy has been rather limited. Nonetheless, enlargement as such has considerably altered the geopolitical map and self-perception of the EU and required new engagement in the East. Also the neighbours in the East have changed over the past years, with some countries (Ukraine, Georgia and Moldova) making renewed efforts to adopt European norms and values, and others (Belarus and Russia) moving in the opposite direction. The EU has become more committed than ever before to supporting transition in the reform-minded neighbouring countries. It has become aware of and active towards the authoritarian regime in Belarus, and adopted a more critical approach towards Russia. These changes have resulted from a variety of factors, including active contribution of the new member states, the dynamics in Eastern Europe, the impact of enlargement on the foreign policy identity and geopolitics of the EU, and the gradual strengthening of EU foreign and security policy.

The activeness of the new member states has often not been based on a sound strategy and vision that could mobilise support in the EU. The identification of the new members with the CFSP and ENP is weak, and they tend to pursue national interests and show little consideration for a broader EU perspective. It has to be noted that in this respect they are not too different from the old member states that commonly prioritise national interest over EU policy. Where the new members do differ from the old EU countries is that the scope of their foreign and security policy interests is narrower. They have little interest and even less expertise in the whole range of CFSP issues. However, they expect other member states to be interested in the Eastern neighbourhood which for many western members does not involve vital national interests. They also lack expertise and resources needed to shape the EU policy, and they are only gradually learning to work in and with different EU institutions.

It should be noted that the new members are not so new any more. It is time for them to develop a broader, more strategic approach to and stronger ownership of common EU policies. In more general terms, this means a broader interest in matters that do not directly concern the new members but are important for Europe as a whole, ranging from crisis management in Africa to managing global climate change. Within Eastern Europe one needs to develop a strategy for the whole region and not be preoccupied with one's own closest neighbours. This is not to argue against a certain division of labour; a broad strategy and narrowly focused practical work have to be complementary and support each other.

The new members themselves have to be committed to common EU policy in order to be able to shape it. Due to their specific expertise and strong interest in the Eastern neighbourhood, they can take an indispensable role in developing the existing EU instruments, the ENP and CFSP, so as to promote security and democracy in Eastern

Europe. Although the ENP as such has been a disappointment to the new member states, this is the instrument we currently have to work with. By being more constructive, the new members could better advance their interests in the neighbourhood. Furthermore, the new member states need to enhance their efforts to engage the old member states. Germany, the UK and the Nordic countries are the most important partners that have often been supportive of the new member states' views on Eastern neighbours. It is not enough, however, to involve similar-minded countries, but a dialogue with all member states is needed.

The above-mentioned broader perspective of new member states would help them to change their reputation within the EU as countries that are interested only in their direct neighbourhood. A broader interest in other EU external relations would make the new members more valuable and reliable partners not only for the Scandinavian countries and Germany, but to some extent also for France, Spain or Italy which are more engaged in the Mediterranean neighbourhood of the EU. Closer co-operation with old member states would also help in overcoming the distinction between old and new member states, which should become less and less visible in the coming years.

The EU's increasing engagement in the Eastern neighbourhood has far-reaching implications for the future of Europe. Even though some member states are resolutely against further enlargement and would not mind leaving the new Eastern neighbours in the Russian sphere of influence, no one in the EU can object to enhanced support for political and economic reforms in the neighbourhood. The more effectively the Union promotes the Europeanisation of its neighbours and extends its system of governance to the neighbourhood, the harder it becomes to avoid the question of offering them the prospect of membership. In other words, if the neighbours are successful in implementing reforms, the question of their membership or at least closer association will have to be seriously addressed and answered by the EU.

The new member states in themselves are a strong case for their argument: the EU has to remain open to all European countries that share its values, and enlargement is the most effective means for the Union to promote stability and wellbeing on the continent. It is worth reminding that, according to the current treaties, the EU has no right to deny full membership to democratic European countries. The EU's policy towards the Eastern neighbours will test the Union's continued commitment to its underlying goals and principles, above all the promotion of democracy and security through integration.

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¹ E.g. Carothers, Thomas (1999), *Aiding Democracy Abroad: The Learning Curve*, Carnegie Endowment for International Peace, Washington D.C.; Levitsky and Way (2002), "The Rise of Competitive Authoritarianism", *Journal of Democracy*, Vol. 13, No. 2, pp. 51-65.

² The Freedom House classes Ukraine as "free"; Moldova, Georgia and Armenia as "partly free"; and Belarus, Russia and Azerbaijan as "not free" (*Freedom in the World 2006* <http://www.freedomhouse.org/uploads/pdf/Charts2006.pdf>).

³ The Russian minority constitutes approximately 29% of the population in Latvia and 26% in Estonia. By the end of 2005, nearly half of the Russian population of Estonia and Latvia had been granted the citizenship of their country of residence, almost the same number are stateless, and the rest are Russian citizens. In Lithuania the minority situation has not caused problems: Russian speakers account for only 7% of the population, and most of them are Lithuanian citizens.

⁴ Estonia and Russia signed the border treaty in May 2005 and it was ratified by the Estonian Parliament in June, and Latvia and Russia came close to signing their agreement. However, the process was stalled by unilateral declarations that Estonia and Latvia attached to the treaty. The declarations made a reference to the Soviet occupation (indirectly in the case of Estonia) and the legal continuity of the two countries going back to the pre-occupation period, which was unacceptable to Russia.

⁵ The EU-Russia summit held in November 2002 agreed on a simplified procedure (Facilitated Transit Document) for travelling between mainland Russia and Kaliningrad. Subsequently, heated negotiations were held on the details of implementing the agreement, with Lithuania defending its right to control transit through its territory. The issue was finally settled to the satisfaction of all parties and the agreement came into force in July 2003.

⁶ *Die Welt*, 9.05.2006.

⁷ In 2005, 44% of the total Belarusian exports went to the EU and 36% to Russia (Institute for Privatisation and Management, <http://ipm.by/pdf/BMER2006e03.pdf>).

⁸ See European Commission, Green Paper "A European Strategy for Sustainable, Competitive and Secure Energy", COM(2006) 105 final, Brussels, 8.3.2006.

⁹ Judith Kelley (2006), "New Wine in Old Wineskins: Promoting Political Reforms through the New European Neighbourhood Policy", *Journal of Common Market Studies* 44:1, pp.29-55.

¹⁰ European Commission, *European Neighbourhood Policy: Strategy Paper*, May 2004.

¹¹ In 2005 Ukraine received 148.6 million; Belarus is to get 8 million of Tacis aid in 2005-6, and in addition, the EU decided in 2005 on a new package of democracy aid for Belarus worth 8.7 million; and Tacis aid to Moldova in 2005-6 is 42 million, which is topped by some more funds through the Food Security Programme and other instruments.

¹² Michael Emerson et al., *The Prospect of Deep Free Trade between the European Union and Ukraine*, Centre for European Policy Studies, Brussels, April 2006.

¹³ General Affairs and External Relations Council, *Council Conclusions*, 22 November 2004.

¹⁴ A common economic space; a common space of freedom, security and justice; a space of co-operation in the field of external security; and a space of research, education, and cultural exchange.

¹⁵ European Commission, "Communication from the Commission to the Council and the European Parliament on relations with Russia", COM(2004) 106, 09/02/04. http://europa.eu.int/comm/external_relations/russia/russia_docs/com04_106_en.pdf

¹⁶ See for instance Dov Lynch, *Why Georgia matters*, Chaillot Paper No 86, Institute for Security Studies, Paris February 2006.

¹⁷ See: Conference - The EU and the Black Sea. 24 February 2006, EU Institute for Security Studies, Paris, rapporteur: Dov Lynch, www.iss-eu.org/activ/content/rep06-04.pdf; Fabrizio Tassinari, *A Synergy for Black Sea Regional Cooperation: Guidelines for an EU Initiative*, CEPS Policy Brief No. 1005/June 2006.

¹⁸ See for instance Fabrizio Tassinari, *op. cit.*

¹⁹ "The impending accession of Bulgaria and Romania will make the Union a de facto Black Sea power", Conference - The EU and the Black Sea. 24 February 2006, EU Institute for Security Studies, Paris, rapporteur: Dov Lynch, www.iss-eu.org/activ/content/rep06-04.pdf

²⁰ The Ministers of Energy from Austria, Hungary, Romania, Bulgaria and Turkey signed the

Ministerial Statement on the Nabucco Gas Pipeline Project in Vienna on 26 June 2006 in the presence of the European Commissioner for Energy Andris Piebalgs. See: Vladimir Socor, Pipeline project can diversify Europe's gas supplies, Eurasia Daily Monitor Volume 3, Number 127, http://www.jamestown.org/edm/article.php?article_id=2371236

²¹ Kazakhstan has already joined the Baku-Tbilisi-Ceyhan project and will export oil through the BTC pipeline. Azerbaijan and Kazakhstan signed the appropriate intergovernmental agreement on 16 June 2006, for more details see: Eurasia: Kazakhstan Squeezes In On BTC Pipeline Project, <http://www.rferl.org/featuresarticle/2006/6/3A5A77B5-9D81-456E-B6AC-6B8A74112E36.html>

²² “The Black Sea region is at the epicenter of Western efforts to project stability into a wider European space and beyond, into the Greater Middle East. As NATO expands its role in Afghanistan, prepares for a long-term mission and contemplates assuming added responsibilities in Iraq, the wider Black Sea region starts to be seen through a different lens: Instead of appearing as a point on the periphery of the European landmass, it begins to look like a core component of the West's strategic hinterland. Put simply, the interface between the Euro-Atlantic community and the Greater Middle East runs across the Black Sea, the new Fulda Gap” - Ronald D. Asmus and Bruce P. Jackson, *The Black Sea and the Frontiers of Freedom*, in: *A New Euro-Atlantic Strategy for the Black Sea Region*, edited by Ronald D. Asmus et al., The German Marshall Fund of the United States, 2004, p. 22.

²³ Such approach was visible also during the EU-US summit in Vienna in June 2006 - “We will contribute to finding a solution to the Transnistrian conflict that assures Moldova's territorial integrity. We will work with all relevant parties to resolve through peaceful, negotiated settlements the frozen conflicts in the Southern Caucasus and encourage the democratic processes in Armenia, Azerbaijan and Georgia” Vienna Summit Declaration, 21 June 2006, p.3.

²⁴ “The limitation of the European Foreign and Security policy and of European policy in general, allow Russia to promote its own interests in this instability. Conflicts commonly referred to as frozen conflicts are actually sometimes maintained in that form by Russian military presence and its divide and rule policy.” - Nicolae Chirtoaca, *Moldova: Borderland Problems – Opportunities and Risks*, in *Russia and the New Europe: Borderlands and Integration*, edited by Olav F. Knudsen, Swedish Institute of International Affairs, Conference papers number 37, Stockholm, January 2006, p. 63-64.

“Moscow's policy paradigm with respect to these conflicts can be defined as 'controlled instability'. It foments and then manages the conflicts, which casts Russia in the dual role of a party to and arbiter of the conflicts” - Vladimir Socor, *Frozen Conflicts: A Challenge to Euro-Atlantic Interests*, in: *A New Euro-Atlantic Strategy for the Black Sea Region*, edited by Ronald D. Asmus et al., The German Marshall Fund of the United States, 2004, p. 22

²⁵ European Parliament resolution on Ukraine, P6_TA(2004)0074, 2 December 2004, Strasbourg.

²⁶ European Parliament resolution on the results of the Ukraine elections, P6_TA(2005)0009, 13 January 2005, Strasbourg.

²⁷ Radio Free Europe, 19.01.2006. See also European Parliament, Report on the neighbourhood policy, A6-0399/2005, 7.12.2005.

²⁸ European Parliament resolution on the sixtieth anniversary of the end of the Second World War in Europe on 8 May 1945 (P6_TA(2005)0180).

²⁹ See David Král, *Enlarging EU Foreign Policy: The Role of the New EU Member States and Candidate Countries*, The EU Center of Excellence, Texas A&M University, 2006, pp. 39-45.

³⁰ See Keith Smith, *Security Implications of Russian Energy Policies*, CEPS Policy Brief No.90/January 2006.

³¹ See Henk van Houtum and James Scott, “Policy Considerations of Project Results: “Good Practices” and Situational Ethics of Cross-Border Cooperation”, EXLINEA Policy Paper, Berlin and Nijmegen, December 2005.

³² See, for instance, the speech of Romanian President Traian Basescu: “Located on the West of the Black Sea and at the mouth of the Danube, Romania is a key gate of the transatlantic community to the Black Sea area. As part of Europe, we feel we have responsibility to use our potential for the good of our democratic community and to serve as a bridge between Europe and the Caucasus. Romania is committed to become a springboard for promoting the values of freedom and democracy in the Black Sea region” (*The Black Sea Area: Advancing Freedom, Democracy, and Regional Stability*, speech of Traian Basescu, President, Romania, Council on Foreign Relations, Washington, DC, March 10, 2005, www.nato.int/romania/theblacksearea.pdf?unde=doc&id=7883).

³³ “Considering the identity of language, culture, and traditions, we see the European future of the Republic of Moldova as a moral obligation” , The Black Sea Area: Advancing Freedom, Democracy, and Regional Stability, speech of Traian Basescu, president, Romania, Council on Foreign Relations, Washington, DC, March 10, 2005, www.nato.int/romania/theblackseaarea.pdf?unde=doc&id=7883)

³⁴ E.g. Urban Ahlin (2005), “The EU needs a policy on Belarus”, CER Bulletin, Issue 45, December 2005/ January 2006, London: Centre for European Reform; Jakub Boratynski (2005) European Democracy Fund, Concept Paper, Stefan Batory Foundation, 10 March 2005; Dov Lynch (2005), “Catalysing Change”, in Lynch (ed.), Changing Belarus, Chaillot Paper No. 85, November 2005, European Union Institute for Security Studies, Paris; Pontis Foundation, EU Democracy Assistance to Belarus: How to Make Small Improvements Larger and More Systematic?, Policy Brief, Bratislava, 24 March 2005.