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SEIMAS

SEIMAS OF THE REPUBLIC OF LITHUANIA
COMMITTEE ON FOREIGN AFFAIRS

REPORT

EUROPEAN UNION'S AMBITIOUS EASTERN PARTNERSHIP POLICY: WHY IT IS NEEDED AND HOW TO ACHIEVE IT

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We hereby submit a report on the key matters of state and public life drafted in accordance with Article 571 of the Statute of the Seimas of the Republic of Lithuania and Resolution No XIV-534 of the Seimas of the Republic of Lithuania of 21 September 2021 on Approval of the Work Programme of the Third (Autumn) Session of the Seimas of the Republic of Lithuania.

Grounds for the relevance of the matter

In order to achieve greater stability in its own neighbourhood and concurrently in the neighbourhood of the European Union as a whole, Lithuania must pursue a foreign policy aimed at expanding the area of freedom and democracy in the region. Implementation of the EU's Eastern Partnership (EaP) policy ranks among key prerequisites for the security of Lithuania and greater stability of the entire Europe.

The EU's Eastern Partnership region is comprised of six countries, namely, Armenia, Azerbaijan, Belarus, Moldova, Georgia and Ukraine. These countries are currently going through politically difficult times caused by aggressive conduct of the Russian Federation, a wave of repression in the aftermath of rigged presidential elections in Belarus in 2020, a political crisis in Georgia, and the resurgence of the conflict between Armenia and Azerbaijan.

The aggressive Russian policy directed against the right of its neighbouring states to opt for sovereign solutions remains the region's main geopolitical challenge. Russia continuously pursues an expansionist policy in all possible areas including but not limited to the intelligence, information, energy, economic, military and social sectors. Furthermore, Russia deepens and escalates frozen conflicts and annexes and occupies territories of the Eastern Partnership countries in order to frustrate the reform efforts of the EU's Eastern Partners.

New challenges to closer cooperation between the EaP countries and the EU arise due to the growing primarily economic but also political influence of China in the region. Over the recent years, China has increasingly consolidated its position

among the main trading partners of the EaP countries and China's investment in strategic infrastructure sectors in these countries has been steadily increasing.

In the course of geopolitical competition for influence in the six Eastern Partnership countries, it is essential to maintain the will of the latter to carry on with reform. A successful transformation of the EU's Eastern Partners would in turn facilitate transformation in Russia. Surrounding Russia by a ring of successful neighbour states would awake its society to the desire to put the country on track for democracy and reform. If this is not achieved, a threat of further destabilisation in the EaP region remains, with the Russian and Chinese influences increasingly taking root.

The situation in the EaP countries demonstrates that the current EaP policy based on measures of largely passive and reactive nature is insufficient. In order to secure a safe and predictable neighbourhood, the EU needs to establish an ambitious political course in the EaP region and seek out new ways to strengthen the relations with the Eastern Partnership countries, especially in view of the favourable conditions created by the recent political developments in several of the said countries¹.

Situation overview

Launched in 2009, the EaP initiative, which is aimed at deepening and strengthening the political and economic relations between the EU, its Member States, and the six Eastern Neighbourhood countries, has contributed to a number of useful initiatives and reforms. However, implementation of reform in EaP

¹ They include the coming to power of the pro-Western Moldovan President Maia Sandu and her Party of Action and Solidarity (PAS) in Moldova following the presidential and early parliamentary elections in 2020 and 2021, respectively; the victory of the Armenian Prime Minister Nikol Pashinian and his Civil Contract Party in the early 2021 Armenian parliamentary elections; and the Memorandum of Understanding between the Ministry of Foreign Affairs of Georgia, the Ministry of Foreign Affairs and European Integration of the Republic of Moldova and the Ministry of Foreign Affairs of Ukraine signed in May 2021 on Establishing Enhanced Cooperation on European Integration – the “Association Trio.”

countries remains strewn with difficulty owing to the lack of ambition that characterises the EU Eastern Partnership policy, the pressure exerted by other geopolitical forces in the region, the difficult domestic political context in EaP countries, the lack of political will, and the interests of oligarchs. While EU Member States fail to reach agreement on the long-term strategic objectives of the Eastern Partnership policy, the Eastern Partners lack a clear reason for carrying on with political and economic reform that would bring them closer to the EU's legal norms and internal market rules. Unfortunately, the Eastern Partners find themselves in a vicious circle. On the one hand, the lack of EU prospects as well as domestic political and electoral cycles interfere with the momentum of reform; on the other hand, the lack of political will in the EU and insufficient progress on implementation of reform in EaP countries limits the opportunities for giving them the prospect of greater integration with, let alone membership of, the EU. In order to find a solution to this situation, an ambitious long-term Eastern Partnership strategy needs to be established, with prospects for rapprochement with the EU clear enough to motivate the societies and political elites of EaP countries to implement complex, politically and economically costly reforms to adapt to European standards.

The main motivation, as well as the key precondition for achieving stability on the European continent, is the prospect of full EU membership, which would consolidate the political elite for a united pursuit of this goal. After all, integration has contributed to peace and stability on the European continent, and no post-totalitarian European country in the EU's neighbourhood has been able to become a prosperous state without joining the EU. Given these two facts, it is crucial to provide a membership prospect for the Eastern partners who seek integration with the EU. It is appropriate to set intermediate benchmarks, thus sending a clear signal to the Eastern Partners on what the EU can offer if they carry on with their reforms (e.g. European Economic Area model).

One of the barriers to further reform in the EaP countries is the EU's endeavour to involve all the six countries in equal measure in the multilateral dimension of the Eastern Partnership policy.

This, in fact, holds back the rapprochement with the EU of more ambitious partners who are ready to commit to EU values and implement the necessary reform. The EU must clearly recognise that the EaP countries do not constitute a homogeneous group: they differ in aspirations for rapprochement with the EU, paths² of seeking it, and speed of reform. Respect of the individual ambitions and interests of the EaP countries regarding their relations with the EU makes it unreasonable to put countries that are aspiring to EU membership on a par with those that merely need closer political and economic dialogue. Greater differentiation in the EaP policy in the form of providing more support and opportunities to those partner countries that have achieved more progress in their integration effort ('more for more' principle) is required. The Eastern Partnership must open up new horizons of cooperation for most concerned and committed countries in order to bring them closer to the EU's political dialogue, closer economic cooperation, and sectoral integration. Some quarters believe that such differentiation that offers different conditions to different Eastern Partners would reduce the incentives for the less advanced countries to be part of such a policy. However, the current EaP policy reduces the motivation for associated partner countries to carry out reform and concurrently fails to provide additional incentives to the remaining partner countries. Moreover, instead of closing the window of opportunity, greater integration of associated partner countries would do the contrary by encouraging other EaP countries to follow suit.

If there is no real chance to offer full EU membership to EaP countries in the near future, a clear, understandable and feasible path of integration and an intermediary status must be offered to the most ambitious Eastern partners, namely, Moldova,

² Georgia, Ukraine and Moldova have signed Association Agreements with the EU establishing a Deep and Comprehensive Free Trade Area (AA/DCFTA agreements between the EU and Georgia and Moldova entered into force on 1 July 2016, and AA/DCFTA between the EU and Ukraine became effective on 1 September 2017). Armenia has concluded a smaller-scale Comprehensive and Enhanced Partnership Agreement with the EU (CEPA, entered into force on 1 March 2021), while participation of Azerbaijan and Belarus in the Eastern Partnership policy has always been more modest, limited to individual cooperation initiatives.

Georgia and Ukraine, in exchange for reforms in the fields of the rule of law, human rights, democracy, and market economy. The benefits of an intermediary status could include full participation in EU sectoral alliances such as the Digital Single Market, the Energy Union, the Capital Markets Union, and the Banking Union; faster integration into the EU internal market;³ and other benefits of EU membership, with the exception of participation in institutional activities. This will prevent associated partner countries from participation in the EU decision-making, thus precluding fears of making the latter excessively complex.

The EU must seek out new forms of closer cooperation with the said most ambitious EaP countries in areas including but not limited to transport, energy, digital transformation, green economy, justice and home affairs, strategic communication, and health. Furthermore, the EU should exploit the transit potential of these countries as bridges between the EU and Asia, as well as their need for expertise in fight against corruption, legal reform, and modernisation of the civil service. In order to deepen the integration, it is also appropriate to review the Association and Free Trade Agreements (AA/DCFTA) signed in 2014.

In respect of the less ambitious EaP countries, to promote the will for pro-European reform, the EU should use the instruments under the EaP multilateral programme to inform the societies of the partner countries about the tangible advantages brought along by the EU. Visa-free travel is a case in point. Not only does it enable the citizens of the EaP countries to travel to EU Member States, but also offers opportunities for the EU to export its culture and values. This instrument has already proved its value by motivating associated partner countries to undertake a number of administrative reforms. For Armenia, the EU should also launch a visa dialogue with this country in the near future, the more so since Armenia has exempted the citizens of EU Member States from the visa requirement as long back as in 2013, and received the European Commission's assess-

³ This will be subject to implementation of the Association and Free Trade Agreements (AA/DCFTA), which provide not only for progressive trade liberalisation, but also for direct alignment of national law of the EaP countries with the EU *acquis*.

ment in 2019 that it meets the requirements to launch a visa dialogue. In addition to providing an impetus for reform in a host of areas in Armenia, the visa dialogue would also ensure the necessary structure and EU oversight. In order to take the first steps towards a reciprocal visa liberalisation dialogue with Azerbaijan, which has a visa facilitation regime with the EU and implements readmission agreements, the EU could encourage this country to unilaterally grant visa-free travel to EU Member States. In the case of Belarus, a more flexible use of the visa dimension should be considered, for example, by allowing travel of limited duration within the EU visa-free area to Belarusian citizens for whom sanctions do not apply, thus avoiding negotiations on a visa roadmap with the illegally elected Lukashenko's administration.

Another tangible measure relevant to all EaP countries is the accession of the Eastern Partners to the common roaming space between the EU and the EaP countries. As the Eastern Partnership countries are taking their first step towards this by creating a single roaming area between the Eastern Partnership countries and the EU⁴, the EU should actively pursue the reduction of roaming tariffs for the EaP countries.

In view of the different paths of reform undertaken by non-associated partner countries, Armenia should be involved in cooperation between the EU and associated partner countries where possible, including areas such as environment, justice, anti-corruption, health, trade, and others, while allowing other partner countries to join in the future. In order to achieve closer cooperation with Azerbaijan and a positive impact on the country's economic growth and democratic process, it is necessary to swiftly conclude EU negotiations on a new comprehensive agreement to replace the 1999 Partnership and Cooperation Agreement between the European Communities and their Member States, of the one part, and the Republic of Azerbaijan,

⁴ The signing of a regional roaming agreement and a regional spectrum agreement between the Eastern Partnership countries and the EU is planned for the end of 2021. If any Eastern Partnership country decides to refrain from signing both of the documents together, it will be possible to join the agreement at a later stage.

of the other part, and to speed up negotiations on the Open Skies Agreement. The EU should also actively advance regional cooperation among EaP countries by supporting joint projects developed by two countries (e.g. Armenia and Georgia) and, where possible, by the three countries of the South Caucasus.

Following the announcement by the Belarusian regime of the decision, inconsistent with the voice of its people, to withdraw from the EU's Eastern Partnership programme,⁵ it is important to step up the international recognition of the forces representing the democratic wing in Belarus and to make diplomatic efforts to enable its continued participation in the EU's Eastern Partnership programme. This could include, e.g., inviting Sviatlana Tsikhanouskaya, the leader of democratic society in Belarus, to participate in the upcoming Eastern Partnership Summit or events in its framework. At present, the most important strand of support to Belarus through the Eastern Partnership and other initiatives consists of reorientation of cooperation efforts from state institutions to civil society, without which democratic change is unfeasible. Such support must include investment in Belarusian youth by offering them scholarships for studying at universities in EU Member States and access to Erasmus+, Youth4Europe and other programmes. To prevent the loss of potential, this support must also include investment into other human resources, support for small and medium-sized businesses that have moved to neighbouring EU Member States, and promotion of female entrepreneurship. The main shortcoming in the relatively successful rollout of the support programmes is that they primarily reach out to the people who have left Belarus. Meanwhile, it is equally important to seek out ways to provide support to society in Belarus, especially through the development of programmes in the regions,

⁵ Given the limited relations between Belarus and the EU, the participation of Belarus in the Eastern Partnership programme has been smaller in scale, compared to other partners, from the very outset. In June 2021, in response to EU sanctions, the Belarusian regime announced suspension of Belarus' participation in the EU's Eastern Partnership programme. While the EU still regards Belarus as part of the Eastern Partnership and does not recognise Lukashenko as a legitimate president, the current situation significantly complicates the implementation of the Eastern Partnership programme in Belarus.

because the speed and will to change will largely depend on the regions.

Given the fragile geopolitical situation in the EaP countries, the EU cannot avoid security matters either. Therefore, the EU needs to make an active effort to stabilise the neighbourhood and become a more vigorous and effective mediator in the peaceful resolution of conflicts affecting the political and economic development of the EaP region. The EU should strengthen cooperation in the areas of security and defence, with a particular focus on countering hybrid and cyber threats and strengthening resilience; promoting participation of EaP countries in missions and operations under the common security and defence policy; establishing EU Military Advisory Missions (EAMAM) in Ukraine and Armenia; as well as enabling the Eastern Partners to participate in Permanent Structured Cooperation (PESCO) projects.

Conclusions and proposals to the Government of the Republic of Lithuania and other institutions in charge of shaping and implementing foreign policy

The Eastern Partnership must remain one of Lithuania's key foreign policy priorities. In order to achieve an ambitious Eastern Partnership policy that translates strategic vision into reality; in order for this policy to be genuinely motivating so that partner countries carry out the necessary reform; and in order for this policy to be instrumental in strengthening stability across Europe, rather than being limited to economic and technical aspects, we encourage the Government of the Republic of Lithuania and other institutions to undertake the following tasks:

1. Put every active effort into the consolidation of an ambitious EU Eastern Partnership policy. Lithuania must strive for specific long-term and intermediate objectives as regards the Eastern Partnership to be set out in the text of the Joint Declaration of the Eastern Partnership Summit to be held on 15 December 2021. This text should also include provisions on non-recognition of occupied territories and support for the national integrity, sovereignty, independence and

inviolability of internationally recognised borders. In view of the emerging tensions in the EaP countries, which put agreement on the text of the Joint Declaration at threat, there is some likelihood that the EU may sign a declaration of a narrower scope with associated partner countries, possibly including Armenia.

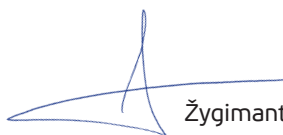
2. Establish an inter-institutional working group to start preparations for the Lithuanian Presidency of the Council of the European Union in the first half of 2027; the main focus of the Lithuanian Presidency should be EU integration of the three Associated Countries of the Eastern Partnership.
3. Mobilise a coalition of EU Member States supporting an ambitious Eastern Partnership policy. Following the example of Germany's leadership, when the Berlin Process bringing together the EU Member States with the greatest interest in EU integration of Western Balkan countries was launched in 2014, it is appropriate to bring together Member States supporting EU integration of Ukraine, Moldova and Georgia. It is particularly important to bring together the pro-integrationist countries that will preside over the EU Council before 2030, namely, the Czech Republic in the second half of 2022, Sweden in the first half of 2023, Poland in the first half of 2025, Lithuania in the first half of 2027, and Latvia in the second half of 2028.
4. Implement other measures to promote the discussion on and dissemination of Lithuania's proposals for EU enlargement into Eastern Europe, in particular, organise seminars in the capitals of EU Member States, mobilise a coalition of think-tanks, and strengthen human relations and diplomacy instruments. Through taking up leadership on the development of relations with Eastern partners, it is also important to cooperate with transatlantic and other partners, who in turn are implementing a number of important projects related to reform and democracy.
5. Identify specific areas where Lithuania, together with the EU, could provide expert support to the EaP countries, in particular, to associated partner countries.

6. Step up the role of the EU institutions in providing support and training to EaP countries, increasing the visibility of the EU on the ground, and strengthening the existing and establishing new EU civilian and military missions.
7. Establish and enhance the cooperation between the parliamentary political parties of the Republic of Lithuania, on the one hand, and the political parties of the Eastern Partnership countries of the same political spectrum, on the other.

Rapporteurs appointed by the Committee:

Žygimantas Pavilionis and Giedrius Surplys.

Chair of the Committee

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Žygimantas Pavilionis

