

The Security Dimension of the European Neighbourhood Policy

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The geographic and political transformation brought about in Europe by the European Union's enlargement to twenty-five member states is tied to a second major transformation associated with the prospect of ratification and the coming-into-force of its Constitutional Treaty. While changing the way the EU works internally, these twin processes will also have profound effects on the way the Union interacts with its neighbours and the world.

The EU's new member states have different interests from the older ones. They also bring new urgency to old questions, and indeed raise new questions on the EU agenda. At the same time, the EU's new borders – with Belarus, Ukraine, and Russia, and eventually with Moldova and the South Caucasus – make it urgent to think about policies to adopt in response to potential and actual threats. For much of the 1990s, EU "foreign policy" towards its neighbours hinged on membership. If membership was not an

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option, the EU had little foreign policy as such. This is changing. With the European Neighbourhood Policy (ENP),¹ the EU is emerging as a foreign policy actor able to act beyond the dichotomy of accession/non-accession, drawing on a range of tools to promote its interests. What is more, the targets of the ENP are also changing. The Georgian "Rose Revolution" in November 2003, the "Orange Revolution" in Ukraine in November and December 2004, the changes that have occurred in Moldova's foreign policy posture since 2003² – all of these indicate a renewed readiness in EU neighbours to make the most of ENP.

This article on the security aspects of the European Neighbourhood Policy is divided into four parts. The first addresses the specific challenges at the security level. The second and third parts examine the security aspects of ENP at two levels: states included in the first wave of Action Plans, such as Moldova; and states in the neighbourhood that are not (yet) part of ENP, such as Russia, Belarus, and the South Caucasus. The security challenges posed for the EU are different in each case. Finally, the article considers ideas for strengthening ENP at the security level. The discussion focuses on states to the east of the EU; states to the south give rise to quite different challenges.

Security challenges facing the ENP

A central point of the European Security Strategy (ESS), approved in December 2003, is the need to have a belt of well-governed countries on the EU periphery. In all of its eastern neighbours, a decade of "transition" has resulted in the impoverishment of society, de-industrialisation, and the rise of oligarchic power structures overlapping opaquely with the public sphere. The logic driving politics and economics is anathema to the EU model. Yet, while offering further enlargement is simply not feasible for the foreseeable future, the EU cannot afford to ignore its neighbours. It must engage with them to create a wider Europe of security and prosperity. The question is: can the EU transform a country while keeping it at arm's length?

The security challenges facing the EU in relation to new and old neighbours are five-fold:

- *Interdependence*

The EU recognises its security interdependence with its neighbours; it

¹ Communication from the Commission, "European Neighbourhood Policy Strategy Paper", Brussels, 12 May 2004.

² Moldova's foreign policy since December 2003 has become decidedly anti-Russian in tone. Chisinau has also decided to suspend its participation in the OSCE-led negotiations with Transnistria.

cannot build a fence and turn away. On the contrary, as stated in the ESS, EU security starts abroad and requires a forward strategy. The ENP is a vital part of this forward security strategy.

- *Complexity*

The scope of security challenges ranges from Justice and Home Affairs (JHA) questions of organised crime and international terrorism to CFSP issues of weapons of mass destruction (WMD) non-proliferation and conflict settlement to wider questions of corruption and sustainable development. Such wide challenges arising in the neighbourhood require cross-pillar coordination in EU policy. These challenges also call on the EU to develop new policy areas – such as involvement in security sector reform – to promote stability in neighbours.

- *Openness/Closure*

Facing these challenges, the EU must upgrade the monitoring and security of its external borders through stricter control of the flow of goods and people – in effect, ensuring an effective closure of external borders. At the same time, the EU must remain engaged with neighbours and foster ties across borders for a wide range of exchanges. Balancing closure and openness is a challenge facing ENP.

- *Recalcitrant neighbours*

First, not all neighbours are interested in deeper ties with the EU. The EU must seek new ways of engaging with the societies in countries such as Belarus, because complete suspension of ties has shown little effectiveness. Second, the EU faces great powers, such as Russia, with their own special interests in the shared neighbourhood that are not necessarily accommodating to the EU.

- *Action and will*

In dealing with security challenges abroad, the EU often finds itself trapped in a policy limbo between action and non-action, where it emits declaration after declaration on dangerous developments in neighbouring countries but member states do not have the will to push for concerted action at the EU level. Repeated demarches without action undermine EU credibility. EU policy in Belarus lies in such a limbo.

In addition, the structure and design of the ENP itself offers a challenge to the EU. Especially with regard to some eastern neighbours, the lack of clarity about the finalité of ENP may weaken the EU's ability to stimulate reform in these states. More widely, the financial perspective offered for the ENP in the next budgetary cycle is still far from certain. More widely, the EU and its member states remain deeply preoccupied with pressing internal

matters, associated with enlargement and the ratification process of the Constitutional Treaty.

The targets of the ENP themselves also pose questions to the EU. The Eastern neighbours are weak states, with a limited ability to absorb external support and undertake reform. Corruption is deeply entrenched throughout all of them. Moreover, they are divided states, physically in the case of Moldova, but also in terms of foreign orientation between Russia and Europe. The ambiguity has thus far limited elite willingness to undertake EU-directed reforms that might be unpopular. At another level, the changes that have occurred in Ukraine and Georgia raise expectations about greater EU engagement in these countries – a fact that poses its own problems.

In addition to these wider level security challenges, the EU faces more specific security questions in a number of the eastern neighbours.

The First Wave of ENP: conflict settlement in Moldova

In many respects, Moldova presents a case by which to assess the security dimension of ENP and the EU's response to real security challenges raised by the neighbourhood. At the broadest level, Moldova poses a number of challenges for the EU. It is a divided country, with a separatist and internationally unrecognised state – the self-proclaimed Transdniestrian Moldovan Republic (TMR, or Transnistria) – lying on the eastern bank of the Dnestr River.³ This unresolved conflict has in itself created a brake on serious reform. The conflict with the left bank has also kept Moldova from developing a fully united front of identity and future orientation, finding itself caught between the former Soviet Union, Eastern Europe and the Balkans. Russia weighs heavily over the country, with peacekeeping forces deployed in the Security Zone along the Dnestr River, a military base deployed on the left bank, allies in local politics and an extensive economic presence. Russia's extensive presence and interests in Moldova lead the EU to consider how to engage with Russia in seeking conflict settlement and greater stability in the country. Despite areas of progress, Moldova has made little headway relative to other accession countries in terms of transformation along EU lines. While Moldova has declared its aspiration to accede to the EU, little has been done beyond rhetorical declarations.

In practical terms, Moldova poses a number of precise security challenges, which will become more salient with Romanian accession to the EU. These problems range from illegal migration originating from Moldova

³ Transnistria, with its capital in Tiraspol, is legally part of the Republic of Moldova, but seceded from it in 1992.

itself or transiting through Moldova, organised criminal structures exploiting Moldova's weakness, especially in Transnistria, manifested in the trafficking of illicit goods and humans, to the presence of dangerous arms and military equipment stocks in Transnistria, which have been sold illegally and pose a local threat. Separatist Transnistria exacerbates these challenges, as it presents a zone for illicit trade and smuggling from the Black Sea and beyond into Europe.

Cognizant of the dangers posed, the EU has started to develop a security profile in a process parallel to the development of the ENP. On the political side, EU policy has taken six main lines:

- Since December 2002, the EU has taken a more active position in the talks between Chisinau and Tiraspol through *demarches* and public positions.
- In February 2003 and August 2004, the EU, acting with the US, imposed travel restrictions on, first, seventeen and, subsequently, ten more separatist leaders.
- The EU has sought to diffuse specific points of tension between Chisinau and Tiraspol through high level visits (August 2004 by Robert Cooper) and continual telephone diplomacy (by CFSP High Representative Javier Solana).
- The EU has led trilateral talks with Ukraine and Moldova on finalising the customs and border regime of the Moldovan-Ukrainian border (the last meeting was on 15 October 2004) and pledged to provide support for the construction and training of a modern border service.
- The EU has pledged its willingness to participate in possible missions mandated by the Organisation for Security and Cooperation in Europe (OSCE) to monitor the Transnistrian section of the border with Ukraine and to consolidate the peace after an eventual settlement agreement.
- The EU has encouraged Russia to fulfil its Istanbul obligations to withdraw its Operational Group and withdraw/destroy the stocks of the former 14th Army in Transnistria.

The more active EU role has supported Moldovan President Voronin at key moments in his dealings with Transnistria, Russia and Ukraine. Moreover, sharper political engagement has helped to persuade Moldova of the seriousness of the ENP offer and made the negotiations on the Action Plan more fluid and businesslike (although not without problems).

Despite notable positive points, the EU could consider to accelerate its political engagement in Moldova at the security levels in the following ways:

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- *A Special Representative?*

The settlement talks will be blocked until after the parliamentary elections in Moldova in March 2005. The EU should consider in advance how it might become more directly involved in the negotiations in mid-2005 in ways that will complement and stimulate the work of the OSCE and other mediators, including new ones. In particular, the Council should consider appointing a Special Representative.

- *International border monitors*

The Transnistrian section of the border must be monitored to ensure an end to illegal and non-sanctioned traffic. Continuing talks with Moldova and Ukraine are vital but the possibility of deploying international monitors should also be considered.

- *Security sector reform*

Moldova remains weak in institutional capacity, with high levels of corruption, low tax extraction and a collapsing social structure. The EU should consider strengthening the institutional capacity through support to security sector reform – judicial and legal reform, law enforcement reform (training and equipment), and customs and border guard reform (training and equipment). A healthy security sector would help create a more stable neighbour.

Beyond the First Wave of ENP: Russia, Belarus, and the South Caucasus

Russia, Belarus and the South Caucasus highlight different security challenges facing the EU that are not covered by the ENP and that may affect its successful implementation. Russia has rejected partnership within ENP, preferring the development of four "common spaces" with the EU. This does not mean that the four common spaces will not be able to draw on monies available under the ENP instrument, but simply that the EU-Russia framework is to remain, for Moscow and Brussels, "special". With contractual agreements with Belarus suspended, Minsk has been offered access to the ENP on the condition of significant political change. The South Caucasus states of Armenia, Azerbaijan and Georgia were included in ENP in June 2004 but will feature only in a second wave of negotiations on Action Plans in 2005.

The Russia-EU Strategic Partnership

Since 1999, the Russia-EU strategic dialogue has become frequent and intensive. Russia and the EU have coordinated positions on wider foreign

policy issues. Both have exchanged views on concepts of conflict prevention and crisis management and, since 9/11, have started to coordinate on counterterrorism. In addition, Moscow and Brussels have long discussed the question of military-technical cooperation in areas of perceived comparative advantage. Finally, questions of nuclear safety and disarmament have become important areas of cooperation.

However, for the progress achieved, the dialogue has remained largely declaratory for several reasons. Most fundamentally, the two sides have clashing visions of the European Security and Defence Policy (ESDP). For Moscow, ESDP should advance Russian interests by providing a model of European security that ensures Moscow an equal voice on all security questions. For the EU, ESDP is not necessarily a motor to drive the creation of a common European security space, but rather, an instrument of EU foreign policy. Future EU operations have a similarly limited scope and objectives: their aim is not necessarily to accommodate the interests of all parts of Europe; it is to manage crises. As a result, the modalities for Russian involvement in ESDP operations (set by the EU in Seville 2002) fall short of Russian demands. Moscow seeks equality with member states at every level of decision-making. For the EU, non-EU states may participate in an ESDP operation if they desire to do so, and if the EU considers their participation necessary. The conditions for Russian involvement are less accommodating than those for NATO operations.

Moreover, the EU's readiness not to seek the sanction of the UN for all ESDP operations worries Russia, which wants to avoid a repetition of the Kosovo precedent. Moscow is also concerned by the geographic scope of EU operations. Russia's concern here is that ESDP may follow the path of the OSCE and come to narrow its focus on Russia.

Factors specific to Russia and the EU have also hampered the security dialogue. Russian policy is heavily presidential, which provides an important top-level impulse that is not always pursued at lower levels. In Brussels, the dispersal of decision-making power among different institutions affects the EU's ability to interact strategically with Moscow.

At the most basic level, it should be recognised that Russia and the EU are simply different kinds of actors. The political dialogue brings together a state that is strongly defensive about its sovereignty and territoriality with an association where sovereignty is pooled and territoriality diluted. Europe is as much a union of interests as a community of shared values. Moscow often sees the blending of values and interests in EU policy and rhetoric as interference in Russian affairs. EU statements about Russian policy in the Chechen conflict have only provoked irritation, as have European declarations about the need for the fair application of the rule of law during the Yukos affair.

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How can a common external security space be crafted between the EU and Russia? Certainly, the premises on which Russia and the EU founded their policy of benign neglect towards each other after 1999 no longer exist. These premises were that Russia and the EU were not really close geographically, that both were busy with their own house cleaning, that ESDP barely existed beyond paper and that NATO was Europe's principal security provider. All are changing. Russia matters for EU security at two levels: because developments inside Russia can impact – positively and negatively – on the EU (the Chechen conflict and questions of nuclear safety and disarmament, organised crime), and because Russian policy can affect EU success in implementing ENP in the new shared neighbourhood of Belarus, Ukraine and Moldova, where Moscow is reluctant to welcome an increasing EU role.

In shaping a common external security space between the EU and Russia, two policy areas should be considered:

- *A joint conceptual framework for peace support*

The EU and Russia should work on elaborating a joint legal and conceptual framework that will allow for joint peace support operations in the future. This is a critical gap in the strategic partnership. A joint framework would help to build a common security space by assuaging Russian concerns and satisfying EU interests.

- *Joint work on the neighbourhood*

The Russia-EU dialogue should focus increasingly on the countries of the new neighbourhood to make the most of the ENP's potential and increase the region's stability and development. This will require compromise from both parties, but is certainly worth the effort. EU-Russia relations in the new shared neighbourhood will have an important impact on wider European security.

The Belarus dilemma

Belarus was offered access to ENP, including high-level political and ministerial contacts, travel facilitation for Belarussian citizens and more people-to-people contacts, should the parliamentary elections of Autumn 2004 have proven free and fair and should Minsk have made significant movement towards democratisation. In the end, the parliamentary elections and the referendum were not free or fair, confirming Belarus' fate as Europe's last authoritarian state.

The challenge Belarus poses to the EU is three-fold. First, the logic of politics and economics in Belarus is contrary to EU standards, values and

practices. And Minsk could care less. This raises the dilemma of what the EU can/should do when faced with such a recalcitrant neighbour. Second, Belarus raises a number of security challenges in the present and in the future for the EU, its neighbours and member states in terms of "soft security". It cannot be ruled out that Belarus may become a more direct challenge in the future, through upheaval or collapse. Finally, despite some difficulties, Moscow maintains close ties with Minsk and the legal structures exist for a future union. This prospect complicates EU policy and thinking and raises the likelihood of a real problem in the future should the union be implemented – what would the EU response be?

- *A new EU policy*

EU policy remains one of suspended ties with Belarus until significant policy changes occur. Given the results of the recent elections, the EU has little choice but to review this line.

- *Exit from the "demarche trap"*

The EU finds itself caught in the "demarche trap", which lies in the grey zone between action and non-action, with declaration after declaration criticising developments in Belarus emitted but with no impact. In 2005, it is necessary to launch a full assessment of EU policy and to consider new ways to approach this neighbour – either through further isolation, greater containment or engagement.

The South Caucasus

The decision to include the three South Caucasus states in ENP reflected a well-established desire to develop a stronger presence in this region. The EU has disbursed close to one billion euros in assistance since 1992 (as have member states). Yet, the EU has little to show in terms of progress. Moreover, the EU and member states are well aware that the Partnership and Cooperation Agreements will not be fully applied and there will be no regional stability without settlement of the region's conflicts. The South Caucasus, however, is already crowded by the presence of the UN, the OSCE, and other major powers. This leaves little room to claim, and complicates thinking about a reinforced EU role. In addition, the region's problems are complex. International organisations and European states have sought for a decade to assuage them. What value added can the EU offer?

Since 2003, a number of factors have pushed the EU to expand its role. With the development of ENP and the European Security Strategy, the South Caucasus has moved to the forefront from being a backwater of EU policy. The appointment of Heikki Talvitie as Special Representative in July

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2003 reflected this increase. Moreover, 2003 marked a turning point with leadership elections in the three states, each offering scope for rethinking relations. In particular, the "Rose Revolution" in Georgia brought a young and reforming generation to power, insistently demanding for a greater EU role. While less in Armenia and Azerbaijan, the scope for a EU role has widened quite dramatically.

Constraints on EU policy, however, remain salient. These are constraints linked to developments in the region – worrying signs in Armenian and Azerbaijani politics, the deep weakness of the Georgian state, the entrenched nature of the conflicts dividing the region, and the activities of other organisations and regional powers – as well as constraints within the EU – the need to digest enlargement, a preoccupation with security developments in other regions, and the still nascent tools for foreign policy. Nonetheless, the opportunities for a reinforced role have never been so clear. In taking the ENP forward, the EU could consider the following points:

- *Principles for intensified engagement*

Treatment of the three states must be equal but differentiated according to progress. The EU must engage not only with capitals but also with regional actors and, on a limited basis, with the separatist entities:

- *Mechanisms for engagement*

It might be interesting to explore a possible "Black Sea dimension". At the same time, the EU could strengthen the means at the disposal of the EU Special Representative.

- *Policy proposals*

The EU could undertake a "costs of war" study to clarify the costs of the current *status quo* and link this to a region-wide dissemination programme. It could also launch a Euromesco-style network of European and South Caucasian research institutes to develop regional Euro-expertise and to link strategic communities.

Taking the ENP forward – the case for security sector reform

With ENP, the EU must follow through on the recognition of its interdependence with its neighbours. Yet, supporting their transformation without resorting to its most successful tool of conditionality will be a tough task. Certainly, EU political and security engagement is the clearest possible signal of commitment.

Apart from the specific suggestions made above, the EU should consider using the ENP framework to support security sector reform in neighbours. A healthy, efficient and modern security sector is a vital and primary attribute

of stability. The Commission's Communication on Conflict Prevention of April 2001 recognised that "[t]he security sector has not traditionally been a focus of Community cooperation. However, in many countries achieving structural stability may require a fundamental overhaul of the state security sector (i.e. the police, the armed forces and democratic control of the security forces as a whole)."⁴ The Communication concluded: "Within the limit of its competencies, the Commission intends to play an increasingly active role in the security sector area." At the declaratory level, therefore, the EU has recognised the role of healthy security sector governance in conflict prevention and for ensuring the structural stability of states. In practice, however, the EU has yet to engage actively and coherently in promoting security sector governance. The Union has thus far only on an episodic basis provided some support, mainly financial assistance, to security sector related concerns. Examples of limited EU involvement may be found in Georgia and Moldova.

The European Security Concept pledges the creation of a ring of well-governed countries on the Union's borders. Healthy security sector governance is key to achieving this objective. The EU should make security sector governance a major plank of its promotion of security and stability on its borders. ENP is the logical framework for moving forward in this vital policy area.

⁴ European Commission, Communication from the Commission on Conflict Prevention (COM 2001 211 Final), Brussels, 11 April 2001 <http://europa.eu.int/comm/external_relations/cfsp/news/com2001_211_en.pdf>.