



European Club Debates on:

**“EU Relations with Russia and Armenia’s Precarious Balancing Act”**

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**1. EU-Russia relations in light of recent developments**

- For now, EU-Russia relations are still formally frozen. The geopolitical changes in Eastern Europe throughout the 2000’s, which culminated with the war in Ukraine, have turned Russia from a “strategic partner” into a “strategic challenge” for the EU. EU's current policy towards Russia highlights the conditionality in restoring a comprehensive dialogue with Russia inter alia upon progress in implementation of the Minsk 2 Agreements. However, at present, neither party to that war favours the implementation of Minsk 2 Agreements over the current state of “no peace, no war”.

- For Moscow, the current status of Donbas is, on the one hand, a guarantee that Ukraine will not obtain either NATO or EU membership anytime soon, and, on the other hand, a bargaining chip for future international negotiations on the settlement of the status of Crimea. For Kyiv, any political steps towards conflict resolution, under the terms of the Minsk 2 Agreements, are painful on two accounts: a) federalization of Ukraine implies a loss of sovereignty and a possible step towards disintegration of the current state of Ukraine; b) an autonomous Donbass within Ukraine having the right to free choice of its relations with Russia and the EAEU would be a serious liability to its European integration prospects.
- The current stalemate in implementing the Minsk 2 deal epitomizes the Ukrainian Donbas dilemma: bring the rebels in, and de facto undermine the stability of Ukraine as a unitary state. Or keep them out at the price of another significant permanent territorial loss (in addition to Crimea), and a continued stand-off with neighbouring Russia.
- In conclusion, restoring EU's dialogue with Russia is currently stuck with progress in Donbas conflict resolution, which for now neither party would be prepared to see through.
- However, recent developments pointed towards a possible change of course in EU-Russia relations, although rapid, radical changes cannot be expected:
  - PACE decision was strategically underpinned by the need to restore the currently broken European security system. It may have been seen as a first step to removing ideological obstacles, which might pave the way towards solving the geopolitical issues. However, the move has created new West-East divisions within the EU (Pol, Baltics, Svk) and with some EaP states (notably Ukr, Geo). My interpretation of PACE decision: this was a strong Western signal that Kyiv needs to move towards a *modus vivendi* with #Russia. #EU (and #US) can no longer prioritize Kyiv's interests over their own regional and global interests, particularly in areas where Russia matters more (Eurasia, Middle East, China, increasingly Africa).
  - The candidate for Ukraine's presidency, V. Zelenski, seemed more willing to solve the conflict with Russia over Crimea and Donbas than the incumbent president Proshenko. But in doing so, the new president would face the same challenges as any Ukrainian political leader who would be striving to reach a reasonable *modus vivendi* with Russia. My assessment is that after the upcoming Parliamentary

elections he might to move towards setting up a bilateral relationship with Russia similar to GEO-Rus, i.e. no political-diplomatic breakthrough, but an EU-sponsored normalization of economic, cultural ties, and people to people contacts.

- In response to this question, it is also important to follow the conundrums of US-Russia and Trans-Atlantic relations, respectively. The recent Osaka meeting of presidents Trump and Putin might mark the beginning of a new stage in U.S.-Russian relations, one of more intensive dialogue. If it does, rapid progress on any of the many issues of world order, regional conflicts and values that divide the two countries is unlikely though. Congress's anti-Russian pressure for further sanctions will also continue to restrict Trump's latitude in cooperating with Russia. On the other hand, in spite of its weakening over the last 2.5 years, the Trans-Atlantic relationship has been very resilient in standing united against Russia so far. The de-linkage of EU-Russia and US-Russia relations is unlikely anytime soon. It is rather most likely that Russia's bet on breaking the Trans-Atlantic relations in addressing aspects of the European security is futile, and counterproductive. Moscow would continue to fail in fixing relations with EU if it followed this line of action, since EU countries are as dependent of US/NATO military structures and capabilities in ensuring their security as to make unthinkable for them an eventual breakdown of T-A relations, in the foreseeable future.

2. ***Government Change in Moldova: Joint West-Russia model for building stability in Eastern Europe? Is it possible in Karabakh?***

- In the wake of the Moldovan events which led to ousting from power the local oligarch V. Plahotniuc by a hybrid pro-Western and pro-Russian government, I tweeted on behalf of EGF: *“Could #Moldova offer a model role for fixing #European security? To release #captured states, overcome domestic geopolitical divides. To fix the regional security system, share power among key stakeholders. To solve protracted conflicts, forge great powers' consensus.”*
- Moreover, seeing the unabating anti-regime protests in June 2019 in Georgia, after the Russian deputy Sergey Gavrillov had sat in the chair of the speaker of the Georgian Parliament, I was wondering in another EGF tweet: *“Is #Georgia oligarch Ivanishvili following in #Moldova Plahotniuc footsteps to being ousted from power by #EU, #US, #Russia "concert"? He might, if a new viable government coalition would emerge. However, this couldn't be taken for granted.”*
- Those events could be considered in the wake of the Armenian “Velvet Revolution” of last year which led to successful structural political changes with tacit acceptance from EU, US, and Russia.
- To a certain extent, the removal of the Ukrainian oligarch Petro Poroshenko from power by new president, Volodymyr Zelenski, might also be seen on a similar note, although the latter’s initial exchanges with president Putin were not very friendly so far. It remains to be seen whether after the upcoming Parliamentary elections a hybrid pro-West and pro-Russia government would be needed in Kyiv to run the country. That would be quite difficult to achieve given the limited political attraction of pro-Russia parties within the Ukrainian electorate (it is thus unlikely they will get enough seats to be able to offer strong parliamentary support to Zelenski’s “Servant of the People” party).
- In conclusion, whether this possible new trend will prove viable and effective for reshaping the currently broken European security or not is still to be seen in both MD, and perhaps in UKR and GE. It is unclear yet to what extent political, financial and security conditionalities imposed by EU, US and Russia would be able to support such “political engineering” in the “in-between states”, in particular when it comes to solving the protracted conflicts in Transnistria, Donbas, Abkhazia, and South Ossetia, not to speak about Crimea.

- In the case of the Karabakh conflict, at prima facie this new trend couldn't be applied since the pattern of the conflict was quite different from the others (in which Russia played a key role and had critical leverage over separatists, while the West had critical leverage over the main countries). There was also Turkey, as independent regional actor, that might have an interest in the resolution of the Karabakh conflict, which would make any regional powers' deal more complex. Nevertheless, the possibility for the Karabakh conflict to be solved by "indirect agreement among regional powers", while overlooking the interests of local actors, cannot be excluded over the medium and longer term (say within the next 5-10 years). For example, new rules on territorial integrity versus the right of self-determination of minorities that would be agreed among EU (members), US, Russia for solving the other conflicts in the post-Soviet space could also be claimed in the case of the Karabakh conflict. In my view, actively waiting for such an outcome would be the best strategy for Baku to resolve the Karabakh conflict within the current geopolitical context. Don't know what Yerevan's strategy would be in that case.

### 3. *EU-Armenia relations: did Armenia's significance increase in the aftermath of the "Velvet Revolution"?*

- The EU and Armenia jointly found a realistic way to continue to nurture Armenia's European aspirations, while accommodating them with the needs of its Eurasian integration. The Comprehensive and Enhanced Partnership Agreement (CEPA) is often referred to as an 'Association Agreement (AA)-lite' since it has kept most provisions from the negotiated AA. However, CEPA doesn't contain free trade arrangements, as that is beyond Armenia's jurisdiction and within that of the Eurasian Economic Union (EAEU).
- Armenia's significance for the EU will largely depend, on the one hand, on the implementation of the CEPA, and on the other hand on the future of EU-Russia/EAEU, and NATO-Russia/CSTO relations.
- Implementation of CEPA is underpinned by the principle "more for more". That is the more Armenian authorities would do to meet their commitments under the CEPA the more support they would get from the EU, most likely irrespective of its previous geopolitical choices.
- Armenia's unwanted choice between European and Eurasian integration of 6 years ago has not been unique. The current geopolitical and economic context placed also the other Eastern Partners in the uncomfortable position of having to choose between joining the EAEU and setting up free trade with the EU.
- ARM may play a model role for future relations of Eastern Partnership states with both the EU and the EAEU. The experience gained by Armenia over the last 6 years in harmonizing commitments with both the EU and the EAEU might be rich in lessons learned for the other Eastern Partners. For example, Belarus and Moldova are basically sharing Armenia's European versus Eurasian integration dilemma within quite different domestic and external contexts. Pending on the opening of EU-Russia/EAEU relations, other Eastern Partners may emulate the Armenian model to choose globalism over geopolitics in their foreign and security policies.

#### 4. *Can EU prevent future resumption of large scale hostilities in Karabakh?*

- The unresolved Nagorno-Karabakh conflict remains an obstacle to stability and prosperity in the region. The EU, including through its Special Representative for the South Caucasus and the crisis in Georgia, supports and complements the efforts of the Co-Chairs of the OSCE Minsk Group to facilitate the peaceful settlement of the conflict. The EU also promotes confidence- and peace-building activities across the conflict divide, notably through the implementation of the programme “European Partnership for the peaceful settlement of the conflict over Nagorno Karabakh”.
- The EU has not been responsible for the deadlocks in negotiations on the Karabakh conflict. It is for the conflicting parties and the OSCE Minsk Group to find the appropriate ways to overcome the current deadlocks and have the Track 1 and Track 2 negotiations up and running. Avoiding large scale hostilities are, to a large extent, in the power of the conflicting parties by choosing peaceful ways rather than using military means for conflict resolution. The EU, just like Russia, the US, and Turkey, has definitely no interest in the resumption of large scale hostilities between Armenia and Azerbaijan, and they will most likely do whatever they can to avoid such an outcome.
- While nobody would be happy with a major military conflict in the SC, we should also understand that the status quo is also hardly acceptable, at least for one of the conflicting parties. What is the middle-ground status that could help further NK conflict settlement?
- This being said, Yerevan should probably come up in NK conflict negotiations with something more sensible and more imaginative than simply entrenching itself into the status quo. In the context of a “buffer zone scenario” in Europe, this approach is not going to work, unless Yerevan and Stepanakert wanted to isolate themselves from both Russia and West.
- We should also think about how the civil societies in both countries could further support the peace process within the new global and regional context. Do we continue with the same maximalist negotiation patterns from both sides? What political, socio-economic, and security *modus vivendi* could be acceptable and achievable? Armenians might be also looking at finding appropriate responses to such critical questions. We would need some fresh ideas for both Track 1 and Track 2 diplomacy to move on more effectively.