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**A Decade of Partnership and Cooperation  
in Russia-EU relations  
Perceptions, Perspectives and Progress -  
Possibilities for the Next Decade**

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## **Executive Summary**

The Russian Federation and the European Union are at loggerheads. Threatened interruptions in the supply of natural gas in the winter of 2006, while not directed at the EU, brought home Europe's vulnerabilities in energy. Even during the Cold War, the Soviet Union had been a reliable supplier. Russia under Putin, it seemed in EU capitals, was not. At the same time, the gap in values is growing, with a European Union that increasingly measures countries by their adherence to standards of democratic governance and respect for civil society. From the Russian perspective, the EU has grown progressively more meddlesome, ignoring sovereignty and traditional interests, while aiding anti-Russian movements in nearby countries and taking controversial stands on purely domestic issues.

All of this friction is occurring at a time when in November 2007 the Partnership and Cooperation Agreement (PCA) setting the current legal and political framework for relations between Russia and the EU is about to expire. The parties can choose to extend the existing agreement, to update it or to negotiate a fresh framework that reflects the changes in both sides that have transpired since the current PCA was worked out. Before choosing an approach, it is important to have a clear assessment of the current state of relations between the European Union and Russia.

There are three options for governing the future of Russia-EU relations. Because the current agreement is self-extending, doing nothing is an option, but one that burdens relations with an increasingly inappropriate legal framework. Amendments and additions could be introduced, which would have the advantage of appearing as an essentially technical fix, maybe easing ratification. On the other hand, one of the most pressing issues, the values gap, is also one of the most contentious, both in Russia and in EU member states. Third, negotiating a new framework would be the most ambitious approach, but potentially the most rewarding. A new agreement might be the best opportunity to reflect the changes that have taken place since 1994 in an appropriate framework, one that is flexible enough to meet future challenges as well, one that offers Russian and European leaders the option of keeping an eye on long-term processes of European integration by engaging in a pan-European debate on Europe's future.

**1. Assessing the current state of affairs**

Russia and the European Union are important partners sharing common economic and political interests. But at the same time they increasingly differ in their perception and implementation of democratic values, political standards and the rule of law.

Any assessment of mutual relations from the perspective of overlapping interests first and foremost has to begin with trade relations. Trade between Russia and the EU is an asymmetrical relationship and yet a high degree of interdependence exists. The EU is the main trading partner for Russia, and Russia is the EU’s main source of energy imports. The asymmetrical and yet dependent relationship has created a challenging situation between Russia and the EU, in particular at the political level.

Asymmetric relations

On the other hand, the Russia-EU relationship is historically long and varied; the two actors are entangled with each other regardless of anyone’s will. What tools can the EU deploy to influence Russia, and in what ways and to what degree can Russia get involved in the EU’s affairs? With its more developed and stable market environment the EU can offer Russia something others cannot, at least not given the current state of world affairs. It is also through trade that the EU can be expected to have most say in Russian affairs. The centrality of raw materials extraction in the Russian economy does not support healthy democratic state building, but tends rather to reinforce elite politics and authoritarian tendencies of the state. Diversification of the Russian economy and the question of state-owned versus private energy companies will be the crucial determinant of the path the Russian state will take over the next decade, and so will also effect the EU’s Russia policy to a high degree.

Far-ranging Interests

From the end of 2005 onwards the Kremlin openly started to use its position as an important energy supplier to influence domestic policy

in Ukraine and other neighbouring countries by renegotiating gas tariffs and using energy blockades as an instrument of global power. These attitudes have underlined the importance of Russia as an international energy supplier, but at the same time have demonstrated the risks and limited reliability involved, initiating a new debate on energy security in Europe as whole. The methods that Russia has used with Ukraine, and might be expected to use again if the dispute about gas prices erupts again, are not entirely new in the CIS area. During the 1990s the method was used several times inside the CIS area. The eye-opening factor on this occasion was that it hit the European market for the first time. The EU not only woke up to the fact that gas supplies can be used as a political tool, but also became increasingly aware that the relationships between the supplier country and transit countries are also important from the EU member states' point of view. For the EU, this considerably complicated the task of how to manage support for democratic reforms in the countries of the former Soviet Union, while at the same time keeping the relationships with Russia and those countries healthy and workable.

Russia as an  
Energy  
supplier

The latest developments in Russia and the European Union, and the elections in the “European neighbourhood” countries (among them Georgia, Ukraine, Kyrgyzstan and, from a different perspective, Belarus) have caused new strategic challenges in the Russia-EU relationship. While the Russian Federation is traditionally dedicated to shaping common interests with the EU member states, the European institutions and some of the EU member states are interested in the consolidation of Russia's democratic institutions, strengthening the rule of law, and progress in political and economic transition. However, this has created significant tension between Russia and the EU, in particular over issues such as human rights in connection with Chechnya, promoting democratic values in Russia's neighbourhood, implementing the commitments undertaken during the OSCE Istanbul summit in 1999 regarding the withdrawal of

New strategic  
challenges

Russian troops from Georgia and Transdnistria, and the way in which Russian state institutions have been developing.

During the 1990s the Western donor community assumed that the Russian Federation might transform to Western standards of market economics and democracy. Perceiving a new democratic spirit in Russia, the European Union and the Russian Federation signed the Partnership and Cooperation Agreement (PCA) in 1994, outlining the framework for future relations. The long period of the ratification process, three years, can be perceived as an indicator of the asymmetric interests on both sides and of Russia's domestic problems during this time, mostly related to Chechnya and differences between individual EU members states. The PCA became a cornerstone for Russia-EU relations and provided pointers as to how the relationship should be developed and how information between the partners should be shared.

The PCA in  
1994

Closer to the end of Yeltsin's second term of office it became increasingly clear that the Russian president was not able or willing to guide the country towards a Western model of transition. Privatisation facilitated extensive organized crime and corruption, handing over many of the country's most valuable assets to a greedy band of insiders. The business community and the Kremlin were closely interlinked, leading to an insufficient differentiation between economic and political power. The democratic opposition suffered under the self-limitation of concentrating on becoming high government officials, and first and foremost on capturing the office of the president.

Yeltsin's  
Shortcomings

Since Vladimir Putin became president, domestic policy has become guided more by his perception of the rule of law. Putin set out on a road to create a stable and safer Russia. He began it by starting a war. After the more or less anarchic times of Yeltsin, Putin had an easy job

to create the image that he was bringing the country under control. It was and still remains a surprisingly popular policy in Russia. However, the road he embarked on inevitably also involved measures that do not fit in with what constitutes a democratic country. Putin's popularity ratings remained high in spite of the fact that domestically Putin has failed to implement reforms of the social system and has also been trying to limit the influence of civil society and the political opposition through both reforms of electoral legislation and the law on nongovernmental organisations. It is also well known throughout Russia and elsewhere that a large part of the Russian media, in particular television, is guided by the state. From the EU's point of view it is the high degree of corruption and the lack of rule of law that creates more obstacles on the road to less troubled cooperation. The domestic changes that have occurred during Putin's presidential administration should elicit several questions from the EU on the eve of reshaping the legal document governing relations between Russia and the EU: To what extent do Russia's domestic developments matter in the relationship? What does the EU want from Russia? Has Russia really made its "European choice", and even if it has, what does it mean?

Putin's  
second  
term:  
domestic  
changes

One aspect that is central to Russia's foreign policy, and so will also touch upon the EU and should be taken into account when talking about the future of the Russia-EU relationship, is Russia's Great Power ambition. One way this manifested itself, but also showed its limitations, was in Putin's attempts to influence election results in Georgia, Ukraine and Belarus. In neighbouring Ukraine all possible measures failed, and the democratic and Western-oriented opposition succeeded in revealing its support in free and fair elections. On the opposite side, Putin had to accept the consolidation of the authoritarian regime of Belarusian president Lukashenka without having an alternative who would be more suitable for the Kremlin. The Belarusian case is an interesting one from the perspective that

both Russia and the EU agree that Lukashenka is not the head of state they would like to see leading Belarus. Where the opinions differ is the circumstances that would lead up to the change of regime. The EU favours an environment that is free and fair, and for Russia it seems to matter more who and what kind of a person is in question.

In Russia-EU relations Russia's Great Power ambitions are clearest when it comes to the smaller member states of the EU. Russia has found it easier to accept criticisms from and is more likely to listen to the EU's largest and so-called leading countries than to deal with smaller member states. The tradition in political thinking that all countries are important has not yet reached Moscow.

Assessing relations between Russia and the European Union from the EU perspective one also has to consider the current requirements of European integration. The last decade of European integration has been dominated by offering the prospect of membership to ten countries, most of them former members of COMECON and the Warsaw Pact. At the very moment when, in May 2004, these ten countries celebrated their accession into the European Union, they not only succeeded in cementing their place in Europe, but at the same time they solved domestic challenges by developing as democracies and market economies. From the external as well as the domestic perspective, EU membership has proved to be a success story. At the same time, however, an EU with 25 and more member states also requires progress on European integration. The attempt to adopt the European constitution has been the chosen path to achieve European integration. Since France and the Netherlands failed to endorse the European constitution, the EU is challenged with thinking about the future of integration. The latest enlargement and opening the way for new member states includes a strong requirement to implement the necessary institutional arrangements and reform of the EU decision making processes.

An EU with 25  
and more  
members

In contrast to the crises of European integration, individual neighbouring countries, first and foremost Ukraine, are orienting their domestic transition and foreign policy towards the European Union. Despite all attempts of Brussels to offer Ukraine an alternative perspective for membership, democratic actors in Kiev favour EU membership as a sign post for further reform and an important strategic pillar to distance Ukraine from the hegemonic influence of the Kremlin. Seen from the outside, the EU remains a highly attractive actor having at least the potential to shape security and stability beyond its borders. Some of the new member states, Poland in particular, are highly in favour of an EU orientation towards its eastern neighbours. Therefore the positions of the European Commission, the European Parliament, the European Council and single EU member states, on a new Eastern policy regarding a European perspective for Ukraine and other neighbouring countries differ considerably.

The  
democratic  
spirit of  
Ukraine

To continue the success story of European enlargement, Western actors have to overcome the current enlargement fatigue and at the same time Russian-European relations also require new strategic thinking. The geographic area between Russia and the European Union constitutes an overlapping integration space between Russia and the West. Even if the latest attempts of the Kremlin to influence its so-called “Near Abroad” ended in failure, nevertheless Russia’s position in the region in regard to conflict management, economic cooperation, in particular energy cooperation, and maintaining contacts with the Russian-speaking population are much too important to neglect. Bearing in mind unsolved strategic issues, both sides are challenged to shape an overlapping integration space.

Overlapping  
integration  
spaces

To conclude, one has to recognise that Russia and the EU are both very different actors than they were in 1994 when the PCA was first signed between the countries. Shaping Russian-European relations



without having in mind the new framework conditions would be narrow minded, so it is necessary to consider the policy of both sides towards shaping the overlapping integration space, Russia's domestic situation and its Western perception, as well as the state of affairs regarding European integration.

1993-2007  
different  
preconditions

## 2. The next decade in Russia-EU relations

On 30 November 2007, the current Partnership and Cooperation agreement between the Russian Federation and the European Union expires. For a decade, the agreement has provided the framework for institutional economic cooperation. As mentioned above, the agreement, among other mostly economic issues, expressed the democratic spirit of the beginning of the Yeltsin period by situating “respect for democratic principles and human rights” as “underpinning the internal and external policies of both parties and constituting an essential element of partnership.” Bearing in mind the critical reassessment of Russia's domestic situation, the interests of the new member states, the challenge of shaping an overlapping integration space and the changes that have occurred and will occur in the EU, the PCA also requires a critical assessment. Theoretically, three options are possible:

Options for  
the future

1. Extending the existing PCA;
2. Introducing amendments and additions;
3. Preparing a new agreement.

### 2.1 Extending the PCA

According to article 106 of the PCA, the agreement was initially concluded for a period of ten years. Afterwards, the agreement shall be automatically renewed year-by-year provided that neither party gives the other party written notice of cancellation of the agreement at least six months before it expires.

Extending the previous agreement would have the advantage of avoiding the long, exhausting and painful process of renegotiating a new formalised document. The EU's Russia policy is far from being united, and it is clear that even without Russia as a partner a new EU Common Strategy on Russia would take too long to find consensus on to be worth doing. The EU's Common Strategy on Russia is a unilateral document, and the PCA is bilateral between Russia and the EU. The thought of a fully new, legally binding agreement between Russia and the EU horrifies most of the officials in the foreign policy establishment. Potential criticism is expected from the individual EU member states. For instance, the Baltic States or other Central and East European countries might criticise Russian shortcomings in implementing democratic values and its tendency to pursue hegemonic external relations. Some may see no point in starting a very difficult process without even fully seeing that the process will be successful. If and when Russia becomes a member in the World Trade Organisation (WTO), much of the PCA will become irrelevant. Why does the EU need a PCA type of agreement with Russia? Since the existing agreement has its shortcomings and has almost been sidelined by the four common spaces, and Russia-EU relations are not in a flourishing phase, why waste energy on something that might not be honoured in the end and, even worse, after a good deal of arm twisting and many compromises both sides might feel that they did not get anything out of the agreement?

However, it can also be argued that while maintaining the current agreement would circumvent another crisis in EU-Russian relations in the short term, it would make things even worse in the long run.

Just keeping the current state of affairs will not solve the problems in current relations and would also limit the added value of mutual cooperation and in fact turn the clock backwards. Overall, the main essence of the agreement is concentrated on facilitating economic cooperation. Political partnership is only manifested in creating a joint institutional framework and not in overcoming the growing values

Reflecting the  
new  
requirements

gap between Putin's Russia and the West. Moreover, much of the PCA's substance will be obviated when Russia joins the WTO. At the same time that Russia's membership in the WTO will make large parts of the PCA redundant, it also creates a new opportunity to view Russia-EU relationship and what they want from each other.

It seems that neither EU actors nor Russian decision makers seem to be in favour of prolonging the PCA. The agreement does not cover the current requirements of partnership and cooperation, and it fails to bridge the gap between today's Russia and the EU of 25 member states. The current PCA does not take into account the other aspects in Russia-EU cooperation, namely regional cooperation (the Northern Dimension) and the fact that inside the EU there are many bilateral dealings and agreements between individual EU member states and Russia. The bilateral dealings should be incorporated into the EU's policy on Russia, to support the unity of the EU in its policies, not to undermine it. As long as the bilateralism between Russia and the EU's member countries are separate from the EU's common framework, it will continue to create an atmosphere of suspicion inside the EU and will be to the benefit of Russia.

It is noteworthy that Putin states in his state of the nation speech in 2003: "An important element of our foreign policy is growing closer and becoming truly integrated into Europe. Of course this is a complex and lengthy process. But this is our historical choice. It is gradually being realised, at the present stage through initiating bilateral relations, developing strategic partnership with the EU and active participation in the work of the Council of Europe". This reveals a good deal about how Russia is conducting its policy towards Europe and it should be taken into account when planning the next step regarding the legal framework between Russia and the EU. The compatibility of the PCA and the roadmaps for the Four Common Spaces is also a question mark. Through the common spaces Russia is more and more integrated into Europe but mostly in a sectoral way.

Integrating  
Russia into  
Europe

Perhaps they represent a way forward in the Russia-EU cooperation and should be noted in a general agreement as well. Overall, the existing PCA does not build the architecture of the future of Europe or create opportunities to bring Russia closer to Euro-Atlantic structures.

## **2.2 A revised PCA**

To opt for a revised version of the agreement means minimising the inevitable friction while also being more up-to-date about current requirements.

### *A medium-term perspective*

As analysed above, relations between the Russian Federation and the European Communities are only to a limited extent focusing on sensitive issues of the EU-Russian agenda. These include the differences between joint (mostly economic) interests on the one hand and an increasing value gap on the other. Putin's domestic reforms threaten democratic standards, and the Kremlin's attempts to have an impact on Ukraine, Georgia, Belarus and other neighbouring countries are causing growing criticism from Western decision makers. Taking these criticisms seriously, one can think beyond 2008 and trust in a democratic alternative taking over the presidential office in the 2008 elections, fulfilling the international standards of free and fair elections. Having in mind that Russia has still the option of becoming a country run according to Western standards, a revised framework agreement should include ways to combine joint interests with common values.

Russia  
beyond 2008

### *Reducing the values gap*

The PCA concentrates on economic cooperation, neglecting political goals and standards. The existing PCA definitively illustrated that just

mentioning commitment to democracy is not enough to implement these values. Focusing on values gap, partnership and cooperation cannot be implemented by ignoring the differences, but should open channels for an open dialogue on the most problematic agenda items, such as Russia's domestic situation, and shaping the overlapping integration space--including assessments of elections in this very region. A bilateral dialogue about the perception of democratic standards might also be an additional avenue for mutual cooperation. To do this in a most concrete and clear way without judging the "Russians" *per se* but the ways things are done in Russia, is to tackle the problem of the rule of law. One of the big questions regarding more integration between Russia and the EU, particularly in economic relations, is corruption and the unpredictability of the Russian legal system. The sense of justice is strong in Russian, society but the respect for a legal framework is weak. This issue also stands in the way of a more open human rights policy and state institutions functioning according to democratic principles and transparency. The PCA should include a roadmap with concrete goals for further strengthening the rule of law, democratic standards, human rights and the process of legal harmonization between Russia and the EU. This should be in the best interests of both parties.

Offering  
channels for a  
value dialogue

### *Identifying political goals*

Going as far as offering Russia the option of a free trade area, the PCA already includes extensive opportunities for manifesting economic cooperation. To strengthen the value of the agreement, economic goals should be supplemented with political targets. There should be a clear place for this when the WTO membership of Russia takes effect. The CIS area is an area where Russia and the European Union share many interests, especially over issues related to economy and security. It is in both parties' interest that they can work together in the area of the former Soviet Union. For instance, in the context of external security Russia and Europe might address frozen conflicts

The CIS as an  
area of  
common  
economic and  
security  
interests

and violent conflict escalations in their overlapping integration space. For example, despite recent hopes for a breakthrough in negotiations, relations between Armenia and Azerbaijan remain fraught with tension over the unsettled conflict in Nagorno-Karabakh, where armed conflict lasted from 1990 to 1994. Georgia continues to grapple with secessionist movements in Abkhazia and South Ossetia. The North Caucasus on the whole remains a hotbed of separatist movements and ethnic conflicts that threaten stability in the Russian Federation and throughout the region. Finally, the unresolved conflict over the self-proclaimed Transnistrian Republic continues to threaten not only the territorial integrity of Moldova but also security and stability on the borders of the European Union. The frozen conflicts are threats for both the EU and Russia, and most likely cannot be solved without a joint effort from both. The PCA should at least include a mechanism for political issues of joint interest, but so far it is limited to different European and Russian approaches.

#### *Regional Cooperation and Bilateral relations*

To date, Russian-European relations have followed a two-pronged approach, driven by the European Commission on one side and individual member states on the other. This has been the reality and also something that Russia has been keen to reinforce. However, quite often when the problem is identified, it can also be solved. As the quote from Putin earlier in this paper showed, Russia's approach to the EU is more of an approach to Europe as a whole, mixing dealings with the EU, Council of Europe, OSCE, NATO and bilateral agreements between Russia and the individual member states. The old PCA could not take into account the reality of the relationship in the early 1990s, since it was quite unclear then how the relationship would develop. Any new version should recognize the realities of the relationship and try to avoid painting too idealistic a picture. Highly unrealistic expectations are usually followed by bitter disappointments, something that the Russia-EU relationship should

EU-member  
states driving  
relations with  
Russia

try to avoid. Some of the problems from the EU side could perhaps be avoided by incorporating bilateral dealings into the EU framework with transparency. This would also reduce the EU's internal divisions. For instance, the Baltic states are almost deliberately neglecting relations, as a result of their conception of the Russian enemy that related to legacies of the past Soviet occupation. These national differences demonstrate that an EU with 25 member states is challenged to find a consensus on Russian relations, combining countries conducting a Russia-first approach with other countries opting for maximum strategic distance. The revision of the framework should be a step toward reducing "behind the curtain" national solo attempts, strengthening the European framework and bringing in the particular interests, experiences and bilateral networks of the new EU member states.

Furthermore, regional cooperation should also be brought more strongly into the overall EU framework. The Northern Dimension (ND) is a good example of this. The programme did accomplish something, but still the results have often been seen as very vague and weak. In case the ND would also have a role, within the overall EU framework, in implementing Russia's integration with the EU, and if its partnership programmes would support the EU's Russia policy, this would benefit all the EU member states. The partnership programmes of the ND should include an existing concept of environmental partnership as well as an energy partnership in support of the larger Russia-EU dialogue. Regional programmes can also help in the process of legal harmonisation.

### *Energy*

Energy questions have become and will remain high on the agenda in Russia-EU relations. The EU is looking for ways to reduce its energy dependence on Russia, and if successful the EU would be not a growing market for Russia but a stable one. The Russia-EU energy dialogue should also focus on energy sources other than oil and gas,

as well as the different environmental aspects of energy politics. Through the energy question the strategic importance of Northern Europe (the Baltic Sea area as well as the Barents area) will grow, but so will Turkey as a gatekeeper on the southern route. These are future aspects that should be thought through in the process of planning Russia-EU relations for the next decade. The energy issue is an important one to the extent that it ought to be addressed in any agreement that is created between Russia and the EU. At the same time, the whole issue of energy should be depoliticised and an open dialogue should take place. Even the suggestion that energy can be used as a political tool would not fit into the idea of open dialogue.

The strategic impact of oil and gas

*Linking the Common Space roadmap and other principles of mutual co-operation*

The Four Common Spaces were initiated at the EU-Russia summit in the summer of 2003 and adopted in Moscow on 10 May 2005 as the basis for long-term bilateral relations: a Common Economic Space; a Common Space of Freedom, Security and Justice; a Space of Co-operation in the field of External Security; as well as a Space of Research and Education, including Cultural Aspects. Already in 2005 the decision makers on both sides had in mind integrating the four roadmaps into the framework of the PCA. The strategic idea has been to push the PCA forward, setting out and implementing shared objectives for EU-Russia relations, as well as the actions necessary to make these objectives a reality. By determining the current agenda for cooperation, Brussels and Moscow have also been in favour of identifying medium-term objectives.

Integrating the four Common Spaces into the PCA

The revision of the PCA should be based on the strategic steps already made by integrating the four common spaces into the bilateral agreement. In the period of the PCA II, roadmaps number one, the Common Economic Space, and number two, Freedom of Security and Justice should be long-term goals for bilateral co-operation. The roadmap for the Common Space of External Security underlines the



shared responsibility of the EU and Russia for an international order, in particular in the overlapping integration space integrated into the framework of the United Nations, the OSCE and the Council of Europe. The roadmap addresses global and regional challenges and key threats of today, notably terrorism, the proliferation of WMD, as well as existing and potential regional and local conflicts. The parties will give particular attention to securing international stability, including in the regions adjacent to Russian and EU borders, where they will cooperate to promote resolution of the frozen conflicts in Europe which have already been mentioned.

It is worth noting that the title ‘PCA II’ suggests, as in the past with different agreements getting number II suffix, only that an existing agreement has been extended and perhaps improved. But this leaves open the question whether such an extension can really mend the things that need to be mended in order to really improve and correct matters that are at present on the wrong footing?

### **2.3 Preparing a new agreement**

Not prolonging but terminating the PCA and opting for a new framework agreement would be the most far-reaching decision, reflecting the latest changes in European integration. Considering the latest enlargement and enlargement fatigue after the failed EU referendums, as well as the particular character of Putin’s second term in office, an entirely new agreement might be perceived as the best option.

The challenges that lie ahead are quite fundamental, and so it can be argued that a rewritten PCA is a short-term solution, better than the option of the status quo, but that a completely new agreement with new emphases and priorities will be the best option in the long term.

The agenda elaborated above should also structure the new agreement. Beyond adjusting the agreement to the new realities and overcoming current deadlocks in cooperation, a new framework agreement also opens up options to shape the European strategic map

A best case  
option?

in a broader context. Both factors, enlargement fatigue and the asymmetric character of Russian-European relations, are restricting any options of offering Russia prospects for EU membership. However, the new wave of democratic revolutions initiated by Ukraine and Georgia might have an impact on strategies of how to integrate the countries that belong to the overlapping integration space between Russia and the West. The democratic shift might also influence Russia's domestic situation, and any assessment of Russia limited to the period before 2008 is narrow-minded anyway. From this perspective, it might make sense to conceptualise the position of a democratic Russia within European structures by offering Russia prospects of association, but without the prospect of any kind of membership negotiation.

This in many ways corresponds to the realities. The EU is in the process of membership negotiations with Turkey. Even if the prospect of real membership is still a distant future, it does bring to the surface several questions in the Russia-EU relationship. A free trade zone is one of the carrots for Russia in the Russia-EU integration process. The idea brings in several other questions that are sensitive in the Russia-EU dialogue. First and foremost the question of a visa-free regime between the EU and Russia is one that will come up time and time again until it is solved. In Russia that is seen as the starting point for real integration, while in the EU it is often argued that Russia's internal development has to show clear progress first and that the major question of Russia's other borders (other than those to the West) needs to be solved. This is a question that cannot be ignored in the EU-Turkey dialogue. Nearly 2 million Russians take their holidays in Turkey, and the number is rising. Turkey has had easier visa rules than the EU countries. The energy question also comes up again in connection with Turkey. Russia and Turkey have intensified their cooperation in the energy sector as well as in trade.

Furthermore the ENP countries should not be forgotten in the Russia-EU dialogue. The compatibility of the ENP and any formal agreement

Shaping the  
European  
strategic map

EU challenges  
ahead

between Russia and the EU is important and both of them should be kept in mind while drafting the other. If the ENP were extended to include institutionalised relations, including the possibility of Ukraine's Nato membership, it would have an impact on the strategic map of Europe and touch also on Russia-EU relations.

The ENP  
countries

The prospect of association has to be based on closing the gap between widespread joint interests and the lack of common values in Russia-EU relations. Furthermore, a new agreement with a different label would offer the Russian side an opportunity to present a success in the international arena, and one still has to place trust in the positive implications of this on democratic domestic developments. At the same time, this hope might very easily evaporate. Furthermore, the related negotiation and ratification process also includes a chance of failure. In particular, member states that are not interested in partnership and cooperation with Russia at all might not ratify the agreement or might cause serious delays in the ratification process. In this case, negotiating a new agreement would also risk the entire framework of mutual relations.

Prospect of  
EU accession

Without taking risks there is seldom progress. The most efficient way to go forward in the Russia-EU relationship, instead of marching in the same circle with the same shoes, would be to start drafting a new agreement between Russia and the EU which takes into account the new realities – Russia's coming WTO membership, EU enlargement and constitutional process, the overlapping space between Russia and the EU, Russia's current political situation and its energy policy, and the mere fact that both sides have an interest in the Eurasian continent, and that these interests often overlap.