



POLICY BRIEF

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From Riga to Brussels: Georgia's hopes for Eastern Partnership

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Since its launch in 2009, the EU's Eastern Partnership (EaP) policy has significantly evolved, witnessing both achievements and challenges. The EaP's fifth summit will take place in Brussels on 24 November 2017 and bring together representatives of the six EaP states (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine) with those of the EU institutions and member states. The summit will assess the state of play of EaP, set future priorities and look for new ways to deliver tangible benefits for citizens.

Over the past few years Georgia has increased its integration with the EU. In 2014 Tbilisi signed an Association Agreement (AA) and Deep and Comprehensive Free Trade Agreement (DCFTA) with the EU, and in 2017 the country received visa liberalisation. With EU membership remaining the country's main foreign policy goal, Georgia wants the summit to deliver an ambitious declaration that sets out long-term goals and shows the EU's strong commitment to the region. Yet given the EU's current inward-looking nature and the lack of appetite for further enlargement, such a long-term vision seems unlikely to materialise at the summit. Therefore Georgia will need to adopt a pragmatic approach, focusing on deepening EU integration in all areas possible, endeavouring to make itself membership-ready.

BACKGROUND

The EaP's stated goal is to strengthen stability, security and prosperity in the EU's eastern neighbourhood. It aims to establish closer political and economic relations between the EU and its eastern neighbours, and enhance multilateral co-operation. Modelled on the EU's enlargement policy, the EaP incorporates many of the tools used for candidate countries, along with a significant amount of the EU *aquis*. A new kind of association agreement (AA), providing a basis for establishing a Deep and Comprehensive Free Trade Area (DCFTA) between the EU and partner countries, was put on the table. Visa liberalisation within the Schengen zone was also promoted as an important deliverable.

The shifting geopolitical environment and the different levels of ambition and commitment of EaP countries have shown that the "one size fits all" approach does not work. There is more differentiation between the EaP states today. This is reflected in the 2015 ENP Review, which underlined the importance of greater differentiation and the choices and commitments of partners. While Georgia, Ukraine and Moldova negotiated AA/DCFTA's, Armenia and Azerbaijan chose to negotiate agreements tailor made to their own circumstances.

Georgia's drive for stronger ties with the EU began in the aftermath of the 2003 Rose Revolution when Mikheil Saakashvili came to power. He made Euro-Atlantic integration the cornerstone of Tbilisi's foreign policy. This goal is based not only on the nation's sense of sharing the European identity, and a desire to strengthen its democracy, but also because of the geopolitical position in which the country finds itself, sandwiched between powerful external players in a volatile region. Georgians believe that the only way to guarantee a secure, stable and prosperous future is through Euro-Atlantic integration.

STATE OF PLAY

Georgia embraced EaP, becoming an enthusiastic and proactive partner. The carrot of closer ties with the EU has played a key role in the country's transformation from a deeply corrupted quasi-failed state to a functioning one in a relatively short period of time. Cross-party consensus on Euro-Atlantic integration and strong support from the population has made it easier to move ahead with difficult reforms. According to a CRRC poll held in April 2017, 80% of those who participated favour joining the EU.¹

Tbilisi's approach has been to cooperate with the EU in as many areas as possible to obtain the highest level of integration. With the gradual implementation of the DCFTA, Georgian companies are increasing the export of their goods and services to the EU market. The first semester of 2017 saw an increase of 56% in EU imports from Georgia compared to the previous year. The EU is also Georgia's main trading partner, with a share of 30% in the total trade of Georgia in 2016.

In addition to closer economic integration, Georgia has also achieved other important milestones. The dialogue between the EU and Georgia, based on a visa liberalisation Action Plan (VLAP), proved to be a successful tool to push for reform. In March 2017 Georgia was transferred to the list of third countries whose nationals are exempt from visa requirements for travelling to most EU member states.

Relations in the energy sphere have also deepened. In May 2017 the country became a member of the EU's Energy Community which enables Georgia to gradually integrate into the European energy market and thereby strengthen the resilience of its energy sector. Georgia also plays an important role as a transit state in the development of the EU-backed Southern Gas Corridor (SGC), which aims to bring gas from the Caspian Basin to the EU.

Cooperation has also been strengthened in the area of security. Georgia has taken part in a number of EU-led missions, including in the Central African Republic and Republic of Mali, and was a part of the Advisory Mission to Ukraine. In April 2017, a Strategic and Operational agreement was signed between Georgia and EUROPOL, while in October 2017 a new high-level EU-Georgia Strategic Security Dialogue was launched.

Reaching this level of EU integration has not been easy. The reforms required to become an associate state have involved the adoption of a significant chunk of the EU's *acquis*. The process is almost identical to the steps asked of accession countries. However, since Georgia is not a candidate country it is unable to receive EU structural funds and other financial resources which could greatly improve its economic development and resilience.

Georgia, as other EaP states, has also come under significant pressure from Russia to reverse what the Kremlin considers an unwelcome EU eastward creep. Russia claims that the EaP is a deliberate strategy to extend the EU's geopolitical influence at Russia's expense. That is why Moscow strives to strengthen its foothold in Georgia through hybrid warfare and soft power, a combination of military posturing and disinformation.

In Georgia's case, this has included imposing trade embargoes, and employing the narrative of Russia as the sole remaining bastion of traditional Christian-conservative values. Russia also uses its military bases in the occupied territories of Georgia (South Ossetia and Abkhazia) as a way to project power and influence. A major weakness of the EaP is that it was ill-equipped to deal with what turned out to be an unavoidable geopolitical competition and conflict with Russia. Given the EU was not prepared for Russia's reaction it has taken member states as well as the EU institutions some time to wake up to the magnitude of the challenge and start to address it.

For Georgia many challenges still remain, not least related to the rule of law and judicial independence, a vulnerable economy and the continuing depreciation of the national currency. Nevertheless, as underlined in the second Joint Association Implementation Report on Georgia, released by the European External Action Service and the European Commission on 10 November 2017, Georgia is successfully delivering on its reform commitments with the successful implementation of the AA. Georgia's commitment to implementing the AA/DCFTA is an affirmation of the Union's soft power. The EU has repeatedly called Georgia the most successful EaP partner and Georgia is the only EaP country mentioned in the EU's Global Strategy as an exemplary state in the region in terms of democratisation. Yet, from a Georgian perspective, the lack of clarity over the final destination of the EaP weakens the policy's effectiveness as a transformational tool. But this lack of clarity should come as no surprise. From the beginning, EaP was a compromise between member states.

Today, with the exception of a handful of countries including Sweden, Poland and the Baltics, the majority of member states have little enthusiasm for setting a concrete end goal for EaP. The cycle of crises that Europe has

faced over the last few years, such as Brexit and the migration crisis, along with Russian adventurism has made the EU more cautious.

PROSPECTS

Every EaP summit is an opportunity to analyse what has been done during the previous two years. But it also represents a challenge to deliver an ambitious vision and concrete goals for the future. For Georgia the Brussels summit is particularly important because the 2015 Riga Summit failed to set any long-term goals.

The Brussels Summit is not expected to bring any major changes to the EaP. It will rather focus on the implementation of the AA/DCFTAs and new association agendas for Georgia, Ukraine and Moldova. The European Commission's June 2017 document on key deliverables until 2020 can be seen as the main 'work-plan' for the future of the EaP.⁴ The document focuses on the four priority areas that were outlined in the Riga Summit Declaration (strengthening institutions and good governance, mobility and people to people contacts, market opportunities and interconnections), giving action plans for concrete activities. Another key topic of the summit will be the new EaP architecture, which is designed in accordance with the "20 deliverables for 2020" and will oversee the effective implementation of those activities. This could be viewed as an attempt by the EU to respond to criticism over its failure to have a clear vision or plan for the EaP's future.

However, the 20 deliverables are mainly of a technical or practical nature. Only a few of them, such as the harmonisation of roaming tariffs with the EU, are likely to have any real impact on public opinion. Deliverables such as national cybersecurity strategies or setting up an EaP European School by 2020 may be a good deal for Armenia and Azerbaijan, but for Georgia these plans are not ambitious enough.

While it is clear that strengthening the region as a whole will benefit both sides, it is also obvious that the EaP has moved to a multi-speed track. The different relations that each EaP partner now has with the EU, along with the very diverse internal political and economic situations in each of the EaP states, requires an even greater level of differentiation than is outlined in the ENP Review.

For Georgia, the next step means going beyond the AA. While the agreement is still in the early stages of implementation, solely focusing on the technical aspects without setting ambitious goals for the future risks generating public frustration in the longer term, which could impact the reform process.

Several areas could be further developed, with tangible benefits for Georgia and other associate partners. For a start, the EU could adopt some of the recommendations laid out in the European Parliament EaP report of November 2017, which emphasised the importance of the greater differentiation principle and suggested an 'EaP+' model for associated countries. This would give them the opportunity to join the customs union, energy union, digital union and the Schengen.⁵ Other ideas could include:

- A new economic area between Georgia, Moldova and Ukraine. Creating a similar space to the European Economic Area (EEA) between the three associated countries and the EU was mentioned in the EU's global strategy and should be followed up. The original EEA goes beyond the DCFTA, requiring compliance with most EU laws but also offering full participation in the internal market without membership of the EU's customs union. Such an economic space between the associated countries could serve as an instrument for greater integration into the EU's internal market. Obviously, such an initiative would first require a comprehensive study, considerable efforts and political commitment from both sides. Establishing a high-level dialogue among the DCFTA countries within the EaP could be a first step.
- Security and resilience. Reinforcing the resilience of partner countries in terms of governance, security and economic stability is a big challenge as underlined in the ENP review. Despite the EaP not being designed for conflict resolution or containing instruments for supporting partners against Russian aggression, Moscow's annexation of Crimea and war in the Donbas brought the issue to the fore. The EU is already a security actor in Georgia. In the aftermath of the August 2008 Russia-Georgia war the EU deployed a civilian monitoring mission (EUMM) while also becoming a co-chair of the Geneva Process peace talks aimed at finding a solution to the South Ossetia and Abkhazia conflicts.

Stability in the region is directly linked to the protracted conflicts and the EaP region requires a more comprehensive approach from the EU when it comes to strengthening the resilience of these states. The EU should work closely with NATO to further enhance the resilience of the EaP states through supporting security

sector reform and opening the way for further inclusion in Common Security and Defence Policy (CSDP) activities. The EU should also help their EaP partners cooperate more closely in terms of conflict settlement and confidence building.

- Defeating Russian propaganda. It is important that the EU, alongside the Georgian government, maintains a high level of public support within Georgian society. Russian propaganda and hybrid warfare not only present a threat to Georgia, but to the whole EaP region. While the EU has taken steps to adjust to the Russian threat, such as becoming more proactive in communicating the benefits of the EaP, and more reflective on the possible reaction of Russia to certain policies, more needs to be done. The EU should increase the human and financial resources of the East StratCom Task Force to ensure its effective functioning. The next step would be to allocate more resources to support local independent media content. More efforts should be made to not only strengthen EU's visibility in the EaP region, but also to enhance the EaP countries' visibility in EU member states.
- More creative economic support. As the implementation of the AA requires substantial efforts and resources, the EU should also consider new ways to increase its support and the flexibility of its financial instruments covering the Eastern neighborhood. For example, offering additional finance to support energy independence or offering gradual access to the Single European Payments Area (SEPA) could further enhance trade and investment. The establishment of a trust fund for public and private investments in Georgia, Moldova and Ukraine, as recommended by the recent European Parliament EaP report, should also be considered.

Georgia should focus on the future

For Georgia, obtaining an end goal is seen as an impetus for reform. Numerous EU documents, including the recent Rome Declaration⁶, reiterate that the EU door remains open. While Georgia remains the most advanced EaP partner, with the potential of becoming an attractive example of EU soft power, the likelihood of the country receiving a membership perspective is remote for the time being. The multiple crises that the EU has faced have not been sustainably overcome. Rebuilding the Union and delivering on pre-existing commitments are the priority.

Nevertheless, despite internal problems EU leaders need to ensure that their own existing commitments to the EaP states are met, and while the Brussels Summit is not expected to upgrade the EaP, it should nevertheless be an occasion to look ahead with ambition. The summit should send a strong message to the EaP partners and citizens that the EU remains committed to the region and set out a clear roadmap for the next two years, at least.

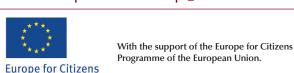
Tbilisi will need to have a pragmatic approach and focus on delivering on existing commitments. Georgia should focus on its democratic shortcomings, with a special emphasis on judicial reform, rule of law and advancing in the approximation of its legislation to the EU. Strengthening the Georgian economy, including achieving sustained economic growth, should also remain a key priority. If Georgia is ever to receive a membership perspective, this will come about not because it is necessary for reform or because of the security threat posed by Russia – the EU has no interest in importing instability – it will be achieved as a result of Georgia's leadership building a robust and prosperous state that has an added value for the EU.

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The views expressed in this Policy Brief are the sole responsibility of the author.

Programme

⁶ http://www.consilium.europa.eu/en/press/press-releases/2017/03/25/rome-declaration/



¹ Public attitudes in Georgia, Results of April 2017 survey carried out for NDI by CRRC Georgia.

² European Commission, Association Implementation report on Georgia, Brussels, 9 November, 2017.

³ Report on the Implementation of the European Neighbourhood Policy Review, Brussels, 18 May, 2017.

⁴ European Commission, Joint Staff Working Document, Eastern Partnership – 20 Deliverables for 2020 Focusing on key priorities and tangible results, Brussels, 9 June, 2017.

⁵ European Parliament, Draft Report on the Eastern Partnership, in the run-up to the November 2017 Summit, Brussels, October, 2017.