

The Importance of the Eastern Partnership for Belarus

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Since 2016, Belarus-EU relations has been developing in the vein of normalisation and political rapprochement. In 2019 Belarus and EU finalised the long-awaited visa facilitation and readmission agreement. Moreover, Minsk is willing to host the Eastern Partnership summit, which would be the first of its kind outside the EU. At the same time, some could assess the latest developments in a less optimistic way, noting the disappointment related to the Eastern Partnership's failure to impact democratic changes in Belarus¹ and the criticism of the EU "pragmatic" rapprochement with the Belarusian regime despite poor human rights record.² On the 10th anniversary of the Eastern Partnership (EaP) programme, it may be a good time to review its role in the EU-Belarus relations, as well as for Belarusian economy and civil society.

The Eastern Partnership in Belarus' Foreign Policy

The issue of participation of Belarus in the Eastern Partnership emerged against the background of puzzled bilateral relations with the EU, going through the cycles of distancing and rapprochement. The ratification of the bilateral Partnership and Cooperation Agreement negotiated in 1995 was suspended in 1997 due to the unconstitutional referendum which helped to consolidate President Aliaksandr Lukashenka's power. Following the crackdown of the post-election protests, in 2004 the EU imposed sanctions against Belarusian officials and two years later introduced a "critical engagement" approach, which implied suspension of the official level contacts but simultaneous support of the civil society.³

¹ J. Nixey, "The Eastern Partnership at 10 What is there to celebrate?", *New Eastern Europe*, May-August 2019. www.neweasterneurope.eu

² "EU lifts most sanctions against Belarus despite human rights concerns," *The Guardian*, 16 February 2016, www.theguardian.com

³ Non-Paper. "What the European Union can bring to Belarus". European Commission, 2006.

During the time the EaP was designed in 2007-2008, Belarus was de facto excluded from the European Neighbourhood Policy, and there were doubts as to whether to offer it the EaP membership at all. However, Belarus' neutral stance on recognition of South Ossetia and Abkhazia following the Russian-Georgian war, despite close ties with Russia, created a momentum for a rapprochement with the EU. The EU opened a delegation to Belarus, high-level visits took place in Minsk, including Javier Solana meeting with President Lukashenka, and the EU partially lifted sanctions.

Inclusion of Belarus in the EaP programme, besides the overarching policy objective of introducing a comprehensive approach towards the EU Eastern neighbours, was an attempt to “reset” the EU-Belarus relations. However, the rapprochement was short-lived and yet another cycle of tensions occurred: in 2010, after the authorities' crackdown on the post-election protests, the EU introduced new sanctions, which included the travel bans and freezing of funds of persons responsible for electoral violations.

During the times when the EU-Belarus bilateral relations were on its low, the multilateral format of the EaP allowed to maintain engagement with Belarus. Belarusian leadership participated in the EaP summits, ministerial meetings, as well as multilateral flagship projects on issues like environment and border cooperation. The EaP framework also allowed to maintain people-to-people contacts through educational and professional exchanges. The EaP Civil Society Forum served as an additional channel for the Belarusian civil society organizations to bring attention of the European institutions to the human rights issues in Belarus.

A significant shift in the EU-Belarus relations happened after the 2014 annexation of Crimea, which put the stability of the eastern neighborhood higher on the EU agenda. Belarus' active facilitation of the Minsk peace talks and Lukashenka's decision to release jailed opposition figures paved a way to a new chapter of rapprochement. Since 2015, Belarus-EU relations has been developing in the vein of “normalization”, major sanctions, including travel bans and asset freezes against 170 individuals and sanctions against three defense companies, were lifted in 2016, and the political contacts were intensified.

Normalisation was welcomed by the Belarusian leadership, as the EU chose to “reset” the relations once again, emphasising commonalities rather than problematic issues such as

democratic standards. However, such rapprochement raised concerns as to whether the EU would give up on human rights situation. One could argue that dialogue between Minsk and Brussels is better than isolation, as it allows to maintain a stable channel of communication, despite ideological discrepancies. At the same time, development of relations with Belarus creates a conundrum for the EU: how to improve relations and strengthen Belarus' independence in the light of Russia's political ambitions without giving legitimacy to the authoritarian regime? According to the Human Rights Watch, in 2019 Belarusian authorities continued to pressure civil society activists and independent media, arbitrarily prosecuted dozens of journalists and arrested peaceful protesters.⁴ Similarly, Belarusian human rights center Viasna reported 7 politically motivated criminal cases and at least 234 administrative cases against 151 activists.⁵

For Belarusian leadership, the EU is a powerful regional actor and immediate neighbour, relations with whom help to somewhat rebalance close ties with Russia. Belarus is not only a “strategic partner” of Russia, but is also deeply integrated in the Russia-led structures such as the Eurasian Economic Union, Commonwealth of Independent States and the Collective Security Treaty Organization. Besides that, Belarusian economy is largely dependent on the Russian energy subsidies, Russia remains the main creditor, owning 80% of the Belarusian government debt (\$ 7.55 billion as of June 2019), and the main importer of the Belarusian goods. Political and economic dependence on Russia helps to sustain Belarusian economy without conducting unpopular structural reforms, and strengthens the current authoritarian leadership. At the same time, it is in the Belarusian national interest to diversify foreign policy options, particularly to create a counterbalance to Russia's influence. In that regard, improvement of the EU-Belarus relations serves as a leverage against Russian geopolitical ambitions towards Belarus, and the EU funding contributes to the resilience of the Belarusian economy.

⁴ Belarus Events 2019. Human Rights Watch, <https://www.hrw.org/world-report/2020/country-chapters/belarus>

⁵ Ситуация с правами человека в Беларуси в 2019 году, Вясна. January 13, 2020, <http://spring96.org/ru/news/95700>

In July 2019, during the meeting with the Head of the EU delegation Andrea Wiktorin, President Aliaksandr Lukashenka expressed readiness to strengthen a dialogue with the EU not only on the economic, but also political matters.⁶ However, such statements have little practical application. Minsk and Brussels stand on the different grounds: Belarus is not ready to embrace reforms or admit the lack of respect for the rule of law. Its room for political manoeuvring is narrow, as even a slight rapprochement with the West raises concerns in Kremlin regarding its interests in Belarus.

In the relations with the EU, Belarusian leadership intends to pursue a pragmatic compromise, including the removal of the remaining sanctions, and seeking common ground to negotiate framework agreements such as the Partnership and Cooperation Agreement. The rapprochement that unraveled since 2016 brought few tangible results other than a stable channel of communication between Minsk and Brussels. Current bilateral relations are still regulated by the agreement concluded by the European Economic Community and USSR in 1989. Negotiations on the Partnership Priorities, a roadmap that could pave a way to a comprehensive Partnership and Cooperation Agreement (PCA), are stalled due to Lithuania's concerns over the safety of the Astravets nuclear power plant constructed near the Belarus-Lithuanian border. In the EaP, Belarus remains an outlier compared to its peers: even Armenia and Azerbaijan, who also prioritize economic cooperation with the EU over the political association, have a better basis for cooperation, such as the Partnership priorities and the Partnership and Cooperation agreements.

In October 2019, a high-level EaP meeting was planned to take place in Minsk. However, Federica Mogherini, along with the ministers of foreign affairs of Lithuania and Poland postponed the visit. A formal reason was a discrepancy in the schedules with President Aliaksandr Lukashenka. For Belarus, such meeting was a chance to raise its international profile as a host of the EaP meetings and setting the agenda of negotiations, especially given that Belarusian president had never visited the EaP summits before and Belarus was represented by the Minister of foreign affairs Uladzimir Makei. Postponement of the meeting for indefinite

⁶ Лукашенко: Беларусь готова усилить политический диалог с Евросоюзом, Naviny.by, July 22, 2019, <https://naviny.by/new/20190722/1563793301-lukashenko-belarus-gotova-usilit-politicheskiy-dialog-s-evrosoyuzom>

time signals that both Belarus and the EU have unresolved issues that negatively influence bilateral relations. Thus, a meeting with the Minister of Foreign Affairs of Lithuania most definitely would have raised a problematic issues around the Astravets nuclear power plant. Recent statement made by Johannes Hahn, Commissioner for European Neighbourhood and Enlargement Negotiations, reinstates that signing the Partnership Priorities agreement are contingent on whether Belarus and Lithuania reach an agreement on the Astravets.⁷

While the EaP event in Minsk was postponed for indefinite time, Lukashenka visited Vienna in November 2019, which was the first trip of the Belarusian leader to the EU in a few years. Austria is one of the biggest investors in the Belarusian economy, with the amount of investments equaled \$296.7 million in 2018, and the trade amounted to \$171.4 million, with exports reaching \$28.4 million.⁸ In 2016, Austria supported the removal of sanctions against Belarus. Similarly, during the recent meeting in Vienna with Lukashenka, his Austrian counterpart, president Alexander van der Bellen did not bring up problematic topics such as human rights issues, and the parties discussed instead prospects of the economic cooperation. In April 2020, Lukashenka is planning a visit to Latvia, not only an important trading and investment partner, but also a major transit corridor for Belarusian exports to third countries. Latvian government also expresses readiness to purchase electricity from the Astravets plant, despite the criticism from Lithuania which calls to boycott the energy produced on the nuclear power plant on Lithuanian border. Such visits signal that Belarusian leadership chooses to rely on enhancing bilateral ties with the EU members who are most open to develop pragmatic ties with Belarus without raising sensitive political issues.

In the nearest term, there are a few significant events in Belarusian politics that could have implications for the relations with the EU: the ongoing negotiations between Russia and Belarus on the Union State integration and the presidential campaign 2020. The projections on the prospects of the Union State vary from a harmonization of tax laws, integration in the energy

⁷ ЕС ставит соглашение о партнерстве с Минском в зависимость от БелАЭС, Deutsche Welle, November 7, 2019, <https://www.dw.com/ru/ес-ставит-соглашение-о-партнерстве-с-минском-в-зависимость-от-белаэс/a-51154662>

⁸ Belarus, Austria expected to triple trade , double investment, Belta, November 13, 2019, <https://eng.belta.by/economics/view/belarus-austria-expected-to-triple-trade-double-investment-125775-2019/>

and agriculture sectors – and up to the most radical scenario of Belarus’ incorporation into Russia and Vladimir Putin chairing the Union State after 2024. While the scenario of the complete loss of Belarusian sovereignty appears unlikely, there is still a risk that Belarus could be forced to sign unfavourable agreements, due to the scale of Belarus’ economic and political dependence on Russia. Close economic integration would pull Belarus even deeper into Russia’s orbit, giving the Kremlin more leverage to limit Belarus’ foreign policy choices. However, the integration talks caused street protests against integration with Russia, with over 1,000 people gathered on Minsk streets on the day of Presidents Aliaksandr Lukashenka and Vladimir Putin meeting in Sochi on December 7, 2019. The protests could continue, should the concrete integration documents be signed. Similarly, there is a potential of protests activity around the presidential campaign 2020, particularly against President Lukashenka’s intent to run for the sixth term. The risks are that the protests, should they be violently dispersed by police, could repeat the 2010 scenario, when the crackdown on the opposition was condemned by the EU, leading to another cycle of tensions in bilateral relations. Hence, it is in the Belarus authorities’ interest that the electoral campaign goes smoothly, in line with democratic standards.

The Importance of the EaP for the Belarusian Economy

Technical assistance which is part of the EaP Stronger Economy priority area is particularly important for Belarus as it aims to support the country’s development and economic resilience. The work of the European Reconstruction and Development Bank (EBRD) and the European Investment Bank (EIB) contributes to the economic modernization of the country. After a thaw in EU relations with Belarus, the EBRD extended support to the public institutions, previously working only with the private business. Similarly, the EIB expanded its mandate in Belarus in 2017, offering €84 million to modernize capital’s wastewater system, as well as €75 million loans to Belagroprombank and Belarusbank to support 200 SMEs.⁹ Overall, the portfolio of the

⁹ EIB signs €75 million loans for SME finance in Belarus, EU4Business, November 21, 2018, <http://www.eu4business.eu/news/eib-signs-eu75-million-loans-sme-finance-belarus>

EIB investments in Belarus made up €335 million in 2017-2019.¹⁰ Since the start of its operations in Belarus in 1992, the EBRD has invested almost €2.7 billion in 119 projects, with the estimate €400 million for 2019¹¹. Presence of the EBRD and EIB in Belarus, besides the support of infrastructure projects, is also important to the extent to which it diversifies lending opportunities through the China's Belt and Road Initiative (BRI) and Russia-led Eurasian Development Bank (EDB). Given that Belarus is in need to seek external lending for infrastructure projects, it is in her interests to have diverse options and potential choice of the optimal offer. This is significant, considering the common criticism of BRI as a geopolitical project targeting sensitive infrastructure, unsustainable financial burden, and negative environmental impact. Similarly, seeking lending from a bank other than the Eurasian Development Bank, can help Belarus lessen dependence on Russia and avoid potential tying conditions a lending offer might contain.

But the benefits from cooperation with the EU are much broader. The EU4Business initiative assisted 4,500 companies with funding and export support to new markets, also helping create 4,000 new jobs for the SMEs.¹²

The cross-border cooperation (CBC) programme Poland-Belarus-Ukraine 2014-2020 supports collaboration projects between the neighbour countries aiming at preserving cultural and natural heritage, developing transport infrastructure, and supporting peripheral border areas with better access to social and health care system. What is significant, is that Belarus also took part in the previous CBC cycles that ran through 2007-2013, at the times of political isolation, and when the bilateral funding to Belarus through the EaP was restricted. Yet, Belarusian society at large had a chance to benefit from cross-border cooperation projects.

Within the EaP Stronger Economy track, a pilot Twinning project supporting the National Bank of Belarus was aimed at strengthening the capacity of the central bank, pursuing long-term improvements such as stability of the Belarusian rouble and inflation decrease. The success of

¹⁰ Lukashenko hails increasingly vibrant cooperation between Belarus, EIB, Belta, August 5, 2019, <https://eng.belta.by/president/view/lukashenko-hails-increasingly-vibrant-cooperation-between-belarus-eib-123109-2019/>

¹¹ EBRD investment in Belarus can reach €400m in 2019, Belta, December 3, 2019, <https://eng.belta.by/economics/view/ebrd-investment-in-belarus-can-reach-400m-in-2019-126367-2019/>

¹² Facts and figures about EU-Belarus relations, https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/eap_factsheet_belarus.pdf

the pilot project paved a way to further twinning collaborations with other governmental agencies, such as the National Cadastral Agency and the Ministry of Emergency Situations, more projects are underway.

In 2019 the EU and the World Bank launched an advisory program on private sector development. EU provides €4.8 million assistance for the project with the advisory support of the World Bank, focused on the small and medium enterprise development, investment attraction and retention, including mobilizing private finance for the public infrastructure.¹³ Another joint EU-World Bank project launched in 2018 aims at strengthening public finance system, boosting economic growth and rising incomes of ordinary Belarusians.¹⁴ The World Bank consistently emphasizes the need for reforms in Belarusian economy, and some of those policy changes are facilitated by the EU financial support and technical assistance.

The EU connectivity initiative, TEN-T indicative investment plan, is a large infrastructure project connecting a total of 890 km of road and 200 km of rail improvements in Belarus and broader in the region, which is expected to boost economic growth and create jobs.¹⁵ Thanks to the financial “blending” scheme of the project, Belarusian authorities not only receive financing through the EBRD and EIB, but are also encouraged to “fundraise” money through public private partnership and use a transparent procurement system.

Belarus remains the only EaP country that does not have access to the EU General System of Preferences (GSP), which offers preferential treatment in trade. Belarus was excluded from the GSP after the repressions against the independent trade unions in 2007. The measures will remain in place till Belarus respects the standards of the International Labour Organization and workers’ rights. The studies show that the GSP withdrawal did not affect the overall trade, and over time the GSP became less important for Belarus as its exports were increasing in other

¹³ Belarus to Improve Investment Climate and Boost Entrepreneurship, with European Union and World Bank Group Support, World Bank, January 31, 2019, <https://www.worldbank.org/en/news/press-release/2019/01/31/belarus-to-improve-investment-climate-and-boost-entrepreneurship-with-european-union-and-world-bank-group-support>

¹⁴ Belarus Aims to Boost Growth and Raise Incomes, with European Union and World Bank Support, World Bank, February 2, 2018, <https://www.worldbank.org/en/news/press-release/2018/02/02/belarus-aims-to-boost-growth-and-raise-incomes-with-eu-and-world-bank-support>

¹⁵ Eastern Partnership: Indicative TEN-T Investment Action Plan, EU Neighbours east, January 16, 2019, <https://www.euneighbours.eu/en/east/stay-informed/publications/eastern-partnership-indicative-ten-t-investment-action-plan>

sectors not covered by GSP.¹⁶ Although the access to the GSP is not significant for the Belarusian economy per se, such restrictions illustrate how the political environment in Belarus limits the scale of possible engagement between Minsk and Brussels.

While the political dialogue between Minsk and Brussels is volatile and there are limits in the political engagement on both sides, the EaP mechanisms of technical assistance bring much needed support for policy changes aimed at long-term sustainable development.

The EaP Role for the Belarusian Civil Society

Engagement with the civil society is an integral aspect of the EU relations with Belarus. Belarusian National Platform of the EaP Civil Society Forum (CSF) is a tool that amplifies voices of the civil society. Although the forum does not have legal authority, it gives an opportunity for the members of Civil Society Organizations (CSOs) with 80 representatives from Belarus, to reach out to the Annual Assembly and potentially attract attention of the EU officials to the human rights issues. Thanks to the Forum's granting opportunities, CSF members can launch joint cross-EaP initiatives, such as Eastern Partnership index which highlights countries' progress towards sustainable democratic development. Also, the CSF conducted a monitoring mission in Belarus after the arrests of the protestors against the so-called social parasite law in 2017, highlighting the continuous violation of the human rights. According to the surveys, despite the fact that both the EU and Belarusian CSOs realize that the Belarusian government engages them in policy discussions only when the EU insists to do so, the Belarusian members of the CSF admit that their outreach to the national decision-makers significantly increased.¹⁷

At the EaP anniversary celebrations in Brussels in May 2019, Maryna Korsh, an activist advocating for the law protecting against domestic violence, raised this issue before Belarusian Minister of Foreign Affairs Uladzimir Makei. As a follow-up of that discussion, Korsh and Makei later met in Minsk to discuss the problems of domestic violence and the necessity of

¹⁶H. Gnutzmann, A. Gnutzmann-Mkrtychyan, "The trade effect of of GSP removal: evidence from Belarus," *BEROC Working Paper*, no. 44, March 2017, www.eng.beroc.by

¹⁷ D. Sukyte. "Multiplying civil society's voice in the Eastern Partnership, a challenging task," *New Eastern Europe*, May-August 2019, www.neweasterneurope.eu

adopting a new law, which was earlier rejected by the President. They also stressed the importance of the civil campaign supporting the law. According to the campaign activists, such meeting couldn't have happened in Belarus, without the support of international forum, which exerted pressure on the Belarusian minister and forced him to react. Minister Makei even appointed a coordinator on behalf of the MFA who directly communicates with the campaigners.

Within the EaP Stronger Society track, the EU fosters mobility and people to people contacts. Since 2009, more than 3,000 students and academic staff benefited from academic exchanges as part of the Erasmus+.¹⁸ Over 3,400 young people from Belarus have been involved in joint exchanges and volunteering projects.¹⁹

Over 3,200 Belarusians have benefited from MOST programme – short-term professional exchanges in the EU in various areas from culture and education – up to technology and entrepreneurship, establishing professional contacts with peers in EU Member States.²⁰ Such visits are particularly valuable as they provide support to the organisations and individuals who would not necessarily be able to fund such professional trips on their own.

One of the achievements of the EU-Belarus dialogue within the Eastern Partnership is the finalization of the Visa Facilitation and Readmission Agreement that was signed on January 8, 2020. Visa facilitation would entail decrease in Schengen visa fee from €60 to €35, extending the term of visa validity and expanding opportunities to waive the fee for special groups, such as persons with disabilities and children. Such measure is long-awaited, as Belarus remained the last EaP country without the visa agreement in place, and the Belarusians had to pay higher visa costs compared to their EaP neighbours.

Conclusions and Recommendations

¹⁸ Facts and figures about EU-Belarus relations, https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/eap_factsheet_belarus.pdf

¹⁹ Ibid

²⁰ Ibid

For the Belarusian authorities, the EaP is an instrument that allows to enhance bilateral relations with the EU, thus strengthening the Western vector in the foreign policy. At the same time, the strategic partnership with Russia sets limits for Belarus to engage in the EaP in a way that is not perceived in Kremlin as undermining this partnership.

From the EU perspective, Belarus is a predictable neighbour, although not the easiest one, whose leadership clearly articulates pragmatic cooperation and economic ties over political association.

As long as there is no major domestic turmoil in Belarus, such as the large scale repression against the political opposition, the relations between EU and Belarus will further develop in the vein of normalisation, which has been pursued since 2016.

At some point, Belarus and EU will have to find solutions for the long-postponed negotiations of the Partnership Priorities, as well as to find a mutually acceptable solution to the Astravets power plant, an issue that blocks the progress on signing the Priorities and, in turn, the Partnership and Cooperation Agreement.

The EaP is important for Belarusian state and its society, beyond the political interests of the elites. Economic and technical cooperation through the EaP not only facilitates much-needed policy reforms and creates jobs, but also contributes to the country's sustainable development, which in turn, translates into the economic resilience. One of the positive developments achieved through the EaP framework is that the Belarusian civil society is engaged in a dialogue with the government at least in a formal way, something that would not take place without the EU insistence.

Looking forward, in 2020 the European Commission is to announce the revised policy towards the EaP region. It remains unclear whether the Eastern Neighbourhood will remain a priority direction for the EU or rather it will scale down the ambitions of the partnership goals towards this region. The political guidelines for the European Commission (2019-2024) presented by Ursula von der Leyen before she was approved as a new President of the Commission do not contain an explicit mention of the EaP, unlike the guidelines developed by Jose Manuel Barroso during the launch of the EaP program in 2009. At the same time, the priorities reinstate the EU role of a responsible global leader whose relationships with neighbours are guided by values. In this regard, EU leadership in the Eastern Neighbourhood is much needed, as the EU is the

major actor in the region, who also promotes the respect for the rule of law. The EU has the leverage to promote those values through the Eastern Partnership programme through the “more for more” principle, given that the EaP members, including Belarus, are interested in the financial, technical, and political opportunities of the EaP. It is important that the EU policy towards Belarus entails a balance between political pragmatism, such as a dialogue with the authoritarian Belarusian leadership, and further support for civil society and democratic standards, in line with the EU values-based approach.

That is why while the EaP does not bring a significant democratic change into Belarus, it is important that the EU develops the dialogue with Belarusian leadership contingent on the respect for human rights and the rule of law. Assessing the success of Belarus’ participation in the EaP, it is necessary not to focus exclusively on issues that do not cause political controversy, such as cross-border cooperation or environmental projects, which are often showcased at the roundtables with the stakeholders as the EaP deliverables. Emphasizing the successive cases of cooperation could build momentum for further rapprochement in EU-Belarus relations. However, the EaP also has a potential of bringing a political transformation and reforms, and should focus on those aspects too.

Finally, it is important that the EU grants schemes maintain a balanced approach towards supporting the NGOs and the government-related initiatives. Supporting a governmental agency or a government-organized non-governmental organizations (GONGO) could seem to be an easier option, as such organization is more likely to provide project reporting and have a sustainable institutional outreach. At the same time, a number of Belarusian NGOs operate in challenging environment, being denied registration or facing repressive measures. Yet, those civil initiatives possess the capacity and innovativeness to bring a substantive impact and address most pressing social issues.

The EU and Belarus are still searching for an optimal formula for cooperation. Eastern Partnership framework could pave the way for that, provided that the political dimension would be balanced by the adherence to EU-values based approach.