

The EU and its eastern neighbours – speech delivered by Günter Gloser, Minister of State for Europe, at the 37th Conference of Community and European Affairs Committees (COSAC) in Berlin

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Ladies and gentlemen,

The German Presidency of the Council has entered the final straight. We are focused on the constitutional process but are not losing sight of the other priorities.

One of these is the development of a European area of security and stability. It goes without saying that the EU has a vital interest in the sustainable stabilisation, democratisation and modernisation of neighbouring countries. In this context we are devoting special attention at the present time to the Union's eastern neighbours, because the EU has achieved a great deal in Eastern Europe in recent years, and we need to build on those foundations.

The 'eastern' focus of our presidency comprises three components:

1. intensification of the European neighbourhood policy,
2. intensification of the EU's strategic partnership with Russia, and
3. formulation of a Central Asia strategy.

These three priorities of European policy towards our eastern neighbours complement each other and form a coherent approach to the general mission of strengthening the Union's relations with all these countries. The European neighbourhood policy already makes an important contribution to stability, democracy and reform. The EU, however, must show a greater degree of political will to shape developments and must make even more effective use than hitherto of its capacity to effect transformations. Failure to export stability will mean importing instability in the long run. Strengthening the European neighbourhood policy is therefore a key priority of our presidency.

We would like to intensify the European neighbourhood policy in general, both in the East and the South. It is essentially a matter of gradually making our southern and eastern neighbours compatible with the EU, both politically and economically. An important incentive for our neighbours to keep pressing on with reforms, however costly they may sometimes be, is the prospect of better access to the internal market of the EU. At the same time, we want to help our neighbours, as part of this reform process, to adopt established Community law and practice in as many areas as possible.

One of our flagship projects is therefore the enhanced agreement with which we seek to replace the existing partnership and cooperation agreement with Ukraine. The negotiations on this new enhanced agreement began on 5 March. The new agreement will serve as the foundation for a very extensive process of convergence with the EU in Ukraine, reaching beyond cooperation towards a significant degree of integration – both gradual economic integration and closer political cooperation.

The core of this new agreement is to be a '*deep and comprehensive free-trade area*' covering all areas of trade and including gradual regulatory convergence in areas of relevance to trade and investment. Negotiations on a free-trade area can begin as soon as Ukraine has acceded to the World Trade Organization.

In a substantive offer to our neighbours to the south and east of the EU, we have proposed the creation of innovative funding mechanisms, closer cooperation in the fields of energy, the environment and transport and, last but not least, strengthening of the human dimension of the European neighbourhood policy through the involvement of civil society.

Internal security is also a key priority of the European neighbourhood policy. Increased assistance in capacity-building, securing borders and combating organised crime as well as planned measures to relax visa formalities for Ukraine and Moldova in return for readmission agreements – all of these are important points.

In addition, we would like to intensify our cooperation with our neighbours in the realm of migration. Migration is becoming an increasingly serious challenge for the European Union and its neighbours. The aim of the EU is therefore to guide migration as well as possible and not to let it become a destabilising factor.

Our goal is to strengthen the commitment of the EU in and with the Black Sea region with a view to promoting regional cooperation and developing relations between the region and the EU at all levels. The accession of Romania and Bulgaria to the EU has extended the territory of the Union to the shores of the Black Sea. This increases the direct interest of the EU in the modernisation and stability of the Black Sea region. All of the Union's eastern neighbours, in other words our partners in Ukraine, Moldova and the countries of the southern Caucasus, are part of the wider Black Sea region.

By pursuing a policy of closer links with the Black Sea region, we can reinforce the bilateral activities of the EU under the European neighbourhood policy by means of regional measures. In concrete terms, this means supporting practical, results-based cooperation in areas of supranational importance such as energy, the environment, transport, migration and the fight against organised crime.

Besides the economic benefits, pragmatic regional cooperation, particularly in non-political areas, can help to strengthen mutual trust between countries in the region and create a better climate for the resolution of the region's 'frozen conflicts'.

In June, the German Presidency will present to the European Council a forward-looking progress report portraying the state of the European neighbourhood policy and the prospects for its reinforcement and further development. Our purpose in so doing is to achieve a clear political commitment on the part of the EU to sustained intensification of the European neighbourhood policy and to present a detailed and credible offer. Conversely, there can be no denying that the European neighbourhood policy is an offer to enter into a modernisation

partnership. It is therefore up to our neighbours to show ambition and embark on the road to reform on the basis of the action plans. To this end the EU is providing massive financial and technical support.

A second priority in the East is our relationship with Russia. The EU and Russia are bound together in a strategic partnership, to which there is no alternative for either side, even if cooperation is not always easy. In this age of globalisation, our common interests and areas of mutual dependence are far greater than the things that divide us.

This applies, for example, to the realm of energy. It is often forgotten that Russia is dependent on the custom of the EU, to which it sells 80% of its gas exports. Russia needs cooperation with the EU to satisfy its desperate need for modernisation of the national economy.

We must also act together if we are to overcome the major global challenges posed by international terrorism, the potential proliferation of weapons of mass destruction and the risk of global climate change. In international conflicts, whether they be the Kosovo question, the Iran issue or the Middle East conflict, close cooperation between the EU and Russia is imperative if we want to succeed.

The present points of friction in EU-Russian relations must not blind us to the importance of this strategic partnership and its future potential for both sides. We in the German Presidency would therefore like to use the EU-Russia summit in Samara on 18 May to reaffirm the strategic partnership and to advance it by means of tangible improvements.

The opening of negotiations on a strategically framed agreement would be an important political signal that both sides, despite present irritations, are working all-out on the continuing development of their partnership. For this reason we are trying hard, together with the European Commission, to find an answer to the unresolved issue of the Russian ban on imports of Polish agricultural products. It is unlikely, however, that success will be achieved in time for the summit.

Nevertheless, we firmly believe that it is in our common interests to put relations between the EU and Russia on a new footing and to formulate new shared visions. This is why the Federal Foreign Minister, Frank-Walter Steinmeier, is travelling to Moscow today to canvass for a 'return to common sense' and for a solution to the stalemate over the partnership and cooperation agreement.

A shared perspective could be created, for example, on the development of an energy partnership between the EU and Russia on the basis of dependable rules and conditions. At the EU-Russia summit, we would like to discuss with the Russian Government how we can avoid future irritations over energy and prevent supply interruptions. The establishment of an early-warning mechanism would be an important prerequisite in this respect.

Energy policy is closely connected with policy on the global climate. This is why climate change and climate security are also matters that should be dealt with at the summit meeting. The EU is prepared to make a 30% reduction in its greenhouse-gas emissions by 2020 if other industrialised nations make comparable commitments. It would be a great achievement if we could persuade Russia to join us in this effort.

Partnership between the EU and Russia, however, extends beyond energy and economics: in the realms of education, research and culture there is great potential, much of it still untapped, for closer EU-Russian relations.

This presents a particularly good opportunity for the EU to assist in Russia's transformation while promoting European values. We therefore wish to use the summit to initiate closer cooperation in these areas, for example by expanding academic exchanges and research cooperation.

Strengthening security in Europe requires close cooperation, rooted in mutual trust, between the EU and Russia. Dialogue with Russia on this matter has not always been easy in recent times. We noted with concern the Russian statements regarding a moratorium on the Treaty on Conventional Forces in Europe. Here, as in the discussion of the missile-defence issue, every effort must be made to prevent a new spiral of distrust. Mutual trust and practical cooperation are the only recipe for lasting security in Europe.

For this reason we shall continue our attempts to persuade Russia to subscribe to a solution of the problem of the status of Kosovo on the basis of the Ahtisaari proposals. That would be a key Russian contribution to the security of Europe.

Progress on the so-called 'frozen conflicts' in Moldova and the southern Caucasus is also crucially dependent on the constructive participation of Russia.

True partnership includes dialogue on controversial issues. For this reason we shall also speak about internal developments in Russia which have raised critical questions and concerns in the EU, especially in recent weeks. This applies above all to the position of the media and of civil society. The Russian authorities' heavy-handed response to the demonstrations in Moscow, St Petersburg and Nizhny Novgorod is only one example of a general trend that is worrying many people.

The EU will continue to make a point of stressing the importance of fruitful relations between Russia and its neighbours, relations that should be characterised by open dialogue and close cooperation, not by the exertion of pressure. To this end we have been actively seeking a relaxation of the recent tension between Russia and the EU Member State Estonia. We shall continue to engage in this dialogue, which is not always easy where Russia's Baltic neighbours are concerned.

The development of a comprehensive strategic partnership between the EU and Russia will continue to require a great deal of patience and realism on both sides. Two aspects of this realism are the ability to identify what is feasible and the resolve to take one step after another to achieve success. That path will not always be smooth. Nevertheless, neither the EU nor Russia has a realistic alternative to the route of cooperative partnership.

The German Presidency of the EU Council is focusing special attention on the Central Asian region. As a transit area between Europe and Asia in the heart of the Eurasian land mass, Central Asia is strategically important. Other players – particularly Russia and China but also the United States, Japan and Turkey – have already been politically active in the region for some time. The EU, on the other hand, is not yet perceived as a major player in the region, even though it is the foremost investor in Central Asia as well as the region's main trade partner and aid donor.

Our interest is not in a new 'great game' but rather in reinforcing the statehood and sovereignty of the Central Asian Republics, for although the Central Asian region is not a direct neighbour of the EU, the EU has a considerable interest in pursuing a far-sighted security policy there and in doing its bit to ensure that Central Asia can become an area characterised by stability, security and prosperity.

Drug trafficking, organised crime and the social and political transformation of the Central Asian States after the break-up of the Soviet Union all pose considerable risks to the stability and statehood of those countries.

The energy issue is also relevant to the security of the EU, but it must be seen in the context I have briefly outlined. The aim of the EU is therefore to promote stability and prosperity in the region on the basis of European experience by means of a Central Asia strategy marked by partnership, transparency and multilateralism.

This strategy includes a dialogue conducted on equal terms with all the States of Central Asia, a dialogue that takes due account of their differences and their interests. This approach also includes more integration into multilateral networks and greater responsibility for the Central Asian States, with particular focus on the OSCE.

The conference of the Foreign Ministers of the EU Troika and the five Central Asian Republics in Astana on 28 March 2007 showed that this approach reflects the wishes of the Central Asian States.

The States of Central Asia are prepared to cooperate with the EU in every area. This also includes the thorny issues of human rights and democratisation, which are integral to the European conception of stability.

Accordingly, in June 2007, at the end of our presidency, the European Council will adopt guidelines for cooperation between the EU and Central Asia in the form of an EU strategy for Central Asia.

The opportunities for the pursuit of a more active policy by the EU towards its eastern neighbours are there for all to see. The EU has an overriding interest in extending the European area of security, stability and freedom. The policy of the EU towards its eastern neighbours, including its offer of a partnership for reform, can contribute significantly to the pursuit of that goal.