



Europe's security threats: Ukraine revisited

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MORE THAN A YEAR after the Minsk II agreement was signed, in February 2015, it is all too apparent that the Ukraine crisis is far from over, while Europe becomes more and more unstable. Today Europe faces a plethora of security threats, different in nature, cause and treatment, such as the on-going economic crisis, the Arab Spring and the war in Syria, the rise of the Islamic State and the terrorist attacks in the heart of Europe, the refugee crisis and the aggressive policy of Russia in Ukraine and beyond. In the particular case of Ukraine, the Union's failure to conclude a landmark Association Agreement with the country in 2013 and its incapacity to avert Russia's aggressive policies and actions in the region afterwards – as was Russia's annexation of Crimea and Sevastopol the current clashes in the east of the country – raised serious questions about EU's global as well as regional power. Is the European Union ready to play a pivotal role in its neighbourhood and in the world? What are the lessons that Europe must draw from the Ukraine conflict in order to achieve a comprehensive, efficient and credible external policy?

The EU has been facing three main tests until today:

1. EU's first test has been its own ability to show unity, coherence and efficiency in its actions in order to counter successfully such security threats.
2. The Ukraine turmoil has also tested the European Neighbourhood Policy – has it succeeded or has it failed?
3. Last but not least, the Ukraine crisis confirmed EU's necessity to take a leading role in ensuring its energy efficiency, guaranteeing political independence from its energy counterparts.

An institutional *Lernaeon Hydra*

The European Union is a surreal creature. The combination of intergovernmental as well as federal characteristics makes the EU a *sui generis* international organisation like no other. The EU acts as a sole actor on a variety of external policies, such as signing international treaties alongside sovereign states and acting as the world's largest contributor of foreign development aid. Its combined economic weight (twenty-eight Member States) exceeds that of the United States and puts it far ahead of China. Hence, some observers forget that it is not a nation-state but an international organisation. The EU has a serious leadership gap problem. According to the Lisbon Treaty, the High Representative of the Union for Foreign Affairs and Security Policy, Federica Mogherini, has main jurisdiction over the Common Foreign and Security Policy (CFSP); but the Permanent President of the European Council, Donald Tusk, and the six-month rotating Council President and the President of the Commission also represent the EU on the world stage.

And as far as the decision making process is concerned, the foreign strategic vision of the EU is set forth by unanimity by the European Council composed by the heads of state or governments of the Member States. The Council of Ministers by qualified majority can only adopt measures related to external policies and actions. In reality, the EU looks like an institutional and political *Lernaeon Hydra* with a growing number of actors and processes in different aspects of its foreign policy. During the Ukraine crisis we witnessed EU's conditionalities once again.

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More specifically, the Union, since the beginning of the crisis, called for calmness between the government and the opposition, and expressed full respect for Ukraine's sovereignty and territorial integrity, including the right of Ukraine to decide on its own constitution and political future. Following the illegal annexation of Crimea and Sevastopol to the Russian Federation earlier on March of 2014, EU leaders decided to push forward with sanctions on the EU visa bans and asset freezes. The list of names subject to sanctions has been growing ever since. In parallel, EU leaders and Arseniy Yatsenyuk, Prime Minister of Ukraine at the time, also signed the political provisions of the controversial Association Agreement – that includes a Deep and Comprehensive Free Trade Area. On 21 December 2015, the Council prolonged EU economic sanctions against Russia until 31 July 2016.

However, not only, the annexation of Crimea was avoided or reversed but also Russia has expanded its aggressive policy to Syria and worsened relations with Turkey. But, what has really determined the decisions at a European level in the particular case of Ukraine?

The interdependency in the EU-Russia relations has determined the decisions. Russia has close

economic ties with the EU. Russia ranks third after the U.S. and China in the EU's total foreign trade. The EU ranks as Russia's number one trading partner, accounting for almost 41% of all trade. European countries import 84% of Russia's oil exports, and about 76% of its natural gas. The degree of dependence on Russian gas differs from country to country though. For instance, Germany is the biggest importer of Russian oil and gas, while the UK buys only about 6% of Russia's gas. In reality, involvement has been, all the way, conditioned to the Members States' different national interests.

European Neighbourhood Policy (ENP)

The European Neighbourhood Policy, one of the main CFSP instruments, founded twelve years ago and only reviewed once in response to the Arab Spring, covers sixteen countries and is meant to ensure stability and security on the EU's external borders. Has it succeeded or failed on its objective?

The EU provides financial support – grants worth €12 billion were given to ENP – related projects from 2007 to 2013 (the ENP will be funded with €15.4 billion (\$2.1 billion from 2014 to 2020); economic integration and access to EU markets – in 2011 trade between the EU and its ENP partners totalled €230 billion – for the most advanced countries in the form of a Deep and Comprehensive Free Trade; easier travel to the EU – 3.2 million Schengen visas were issued to citizens, and in particular to students from ENP countries in 2012; technical and policy support. The EU also supports the civil society in bringing about deep democracy. Supporters of European Neighbourhood Policy say the EU strategy continues to offer the only realistic path for countries that aspire to modernize and lift their populations out of poverty. Nevertheless, many countries claimed that there is limited financial assistance from Brussels compared to the exaggerated EU requirements for reform. Indeed, the present EU approach has specific weaknesses. The enlargement methodology is drawn from the EU enlargement process, supporting mainly political and economic transitions. But accession to the EU is not promised.

EU Energy Security Strategy	
FOR THE COMING WINTER	FOR MEDIUM/LONG TERM
Energy security STRESS TESTS	Promote ENERGY EFFICIENCY
Emergency & Solidarity Mechanisms at regional & EU level	Build a fully integrated INTERNAL MARKET
Encourage the increase of STORAGE, REVERSE FLOWS & LNG	Look at INDIGENOUS RESOURCES Develop energy TECHNOLOGIES
	Promote supply source DIVERSIFICATION
	Speak with ONE VOICE in internal energy policy

Source: European Commission, Energy Security Strategy.

In addition, a single set of standards and procedures that could be applied across the board to the entire neighbourhood has proven unworkable for the EU. Furthermore, the ENP's instruments are ill suited for the rapid change that characterizes much of the EU's neighborhood today. Last but not least, the ENP is a technobureaucratic project and the lack of coherence between the collective efforts under the ENP and the politics of the Member States is particularly evident when it comes to regional conflicts too. In relation to Ukraine, despite the country's strongly professed desire for a EU membership, it did not make the necessary economic and judicial reforms for its accession. And the ENP has not been effective enough in implementing all political and economic changes necessary for Ukraine to follow a secure democratic path.

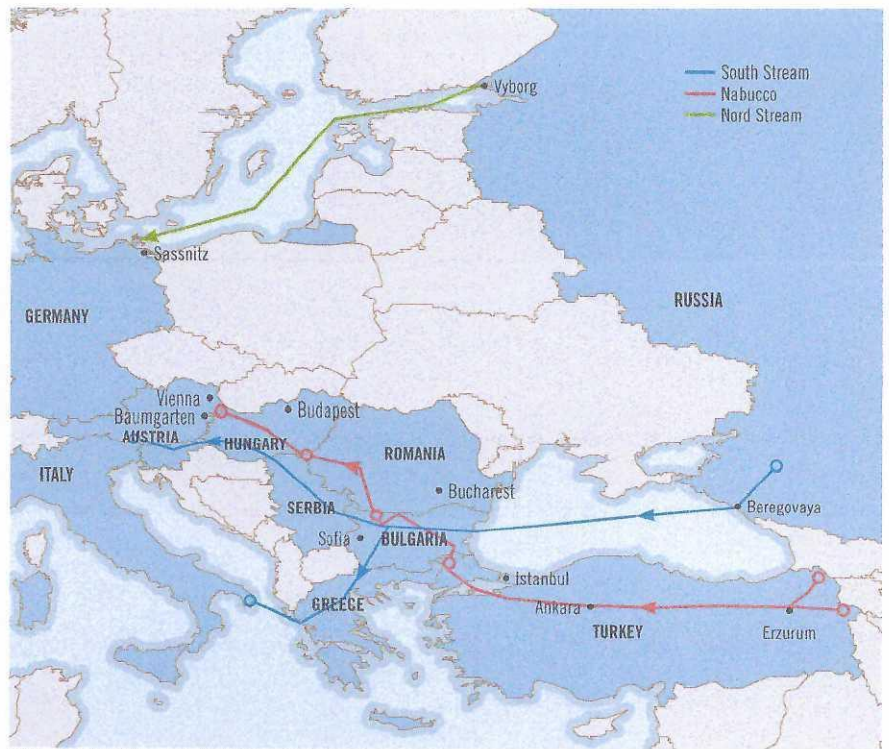
On 5 March 2014, the European Commission agreed on a financial assistance package in loans and grants from the EU budget and EU-based international financial institutions. The €12.8 billion support package for the next few years supports mainly the reform process. To date, the EU and European financial institutions have mobilised, that is committed or disbursed, over €7 billion. In addition, the Union and its Member States have already provided financial support for both humanitarian and early recovery operations for a total of €242 million.

Still, for a more credible EU external policy, the next phase of the ENP should be more flexible, and above all more political. It should combine long-term commitment covering trade, mobility, financial support, and speedier delivery of support with a solid short-term impact. Strengthen the ENP's political leadership should also be a priority. It should be placed directly under the authority of the High Representative for Foreign Affairs and Security Policy, with the consistent financial backing and political commitment of the European motors, Germany and France.

EU's energy security

Russia's Gazprom controls almost a fifth of the world's gas reserves and supplies more than half of Ukraine's, and about 30% of Europe's gas annually. We cannot forget that Yanukovich's decision to abandon the EU agreement in favour of Putin's sudden offer of a 30% cheaper gas bill and a \$15 billion aid package provoked the protests and initiated the crisis in the country.

Ukraine is a critical energy pipeline route. Europeans feared that the crisis would cause pipeline gas deliveries from Russia (which mostly transits through Ukraine) to stop. Foremost in their minds was the 2009 Ukraine gas crisis. But, Russia desires the revenues from European gas sales as much as Europe wants its gas. So a substantial cut-off of Russian gas supplies in the near to medium-term future is unlikely to happen. However, in the last years Europe has been given a wake-up call of Russia's aggressive policies and unpredictable actions in Ukraine and more recently in Syria, that it would be a historical error to ignore.



THE SOUTH STREAM PROJECT, NABUCCO PROJECT AND NORD STREAM

Source: Natural Gas Europe

Thus, reducing the need for so much gas, either through energy efficiency or with alternative sources of generation, are the most effective energy security tools for Europe. On this basis, the EU is working hard with the aim to get 20% of its energy from renewable sources by 2020. More renewable energy will enable the EU to cut greenhouse emissions and make it less dependent on imported energy. And boosting the renewables industry will encourage technological innovation and employment in Europe. Yet, there are some significant challenges in exploiting this potential, such as high technology costs and complex licensing rules among Member States.

Furthermore, with the construction of more LNG terminals, particularly in the Baltic region, and the construction of the TAP pipeline from Azerbaijan to Italy and the Southern Balkans diversification of gas supplies is expected to accelerate more.

In response to concerns surrounding the delivery of Russian gas via Ukraine, the EU launched its EU energy security strategy in 2014. In short, the interconnection of networks, the Southern gas corridor, the diversification of supply, the exploitation of domestic energy sources, energy efficiency, and solidarity among the EU member states are key elements of the strategy that has to push forward urgently in order to guarantee its energy security, a prerequisite for a more autonomous and efficient external policy.

Final Remarks

In reality, the European Union is seriously limited in its ability to respond in real time to crises, as the Ukraine crisis has revealed. And for the foreseeable future, it will have to continue to navigate the different political agendas and

identities of its Member States. However, given today's historic period where political tensions and military clashes are spreading, the EU will have to review urgently its policies and actions, in order to guarantee a serious and credible stance in the world scene, starting from its neighbourhood. Energy efficiency will be a key card in this game too. ■

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