



BEAR NETWORK



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Dialogue between the European Union and the Eurasian Economic Union

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## What does the Eurasian Economic Union want?

The Eurasian Economic Union lists cooperation with the European Union among its top priorities for international cooperation.

Every year the Eurasian Economic Union adopts a document on the main directions of its international activities. For the 2021, the second highest priority is to build a platform for the Greater Eurasia partnership based on systemic dialogue with the European Union, the Shanghai Cooperation Organization, ASEAN, and the Asia-Pacific Economic Cooperation<sup>1</sup>.

A special part of the document is devoted to potential partnerships that the EAEU would like to establish or deepen. The EU is in first place among regional organizations as a priority partner for the EAEU with the following potential spheres of cooperation:

- technical regulation, sanitary and veterinary norms, the circulation of drugs, and medical devices,
- economy and finances, industry and agriculture, some aspects of trade policy, and competition policy.

The EAEU believes that dialogue with the EU should be institutionalized via a formal agreement with the European Commission, though the latter is reluctant to establish region-to-region official relations. However, the long-awaited dialogue on technical regulation between the EAEU and the European Commission commenced in summer 2019. The dialogue is focused on consultations regarding the existing technical regulations and recent or planned amendments.

## Should the EU engage with the Eurasian Economic Union in a region-to-region cooperation?

### Arguments against

- The EU prefers to have relations with EAEU members via the Eastern Partnership or on a bilateral basis, and that was the case even before the start of the political crisis in EU-Russia relations;
- EAEU member states are inclined to have multi-track relations with the EU, Russia, and China because they do not want to be constrained by block discipline within the EAEU;
- Relations with Russia as the leader of the EAEU are linked to the settlement of the Ukraine crisis, the EU strategy in its relations with Russia would be “push back, contain, and engage”<sup>ii</sup>;
- The US opposes any EU contact with the EAEU and Russia because it views Russian policies as neo-imperialist<sup>iii</sup>;
- The EU values conditionality in its external relations<sup>iv</sup>.

### Arguments for

- Chinese Belt and Road Initiative might be seen as a common challenge to the EU and Russia;
- Cooperation with the EU might prevent the EAEU from adopting Chinese standards or creating new standards different from the EU ones by including the Eurasian Union into the EU-China Connectivity Platform<sup>v</sup>;
- The EU’s support to the EAEU and the supra-national Eurasian Economic Commission might smoothen the political transition in Belarus, Kazakhstan, and Russia after the retirement of their current leaders<sup>vi</sup>;
- The Baltic states would economically benefit from an EU-EAEU free trade agreement<sup>vii</sup>;
- An EU-EAEU agreement might be a step to restore stability and enhance peace in Europe by overcoming the EU-Russia divide<sup>viii</sup>.

## EU as a normative power: transformative policies in the social field

The EU wants to have a stable neighbourhood and transformative policies towards Eurasian countries in the format of the Association Agreements are aimed at political, social, and economic reforms that would bring about democracy and prosperity to the EU's neighbours. But expressing the EU's normative power via the language of human rights protection leads to push back from many Eurasian countries because they perceive it as lecturing about democracy and attempts to interfere in their domestic affairs<sup>ix</sup>. "Speak up for values by calling on states to respect their own legislation"<sup>x</sup> would, indeed, be a subtler way to promote the EU's normative agenda. However, the Eurasian Union avoids political conversations, mostly because countries like Kazakhstan want to keep the union only as an economic organization without any political or geopolitical addendum.

A mid-way between a politicized approach towards the EU-EAEU relations and a purely economic logic<sup>xi</sup> of mutual benefits for the two unions might be the **social dimension and models of welfare state**. The common Soviet past makes Eurasian societies nostalgic about the high level of social protection and social services that they received from the socialist government<sup>xii</sup>. The attractiveness of the EU model to countries like Ukraine, Moldova, Georgia lies not only in the sphere of democracy, but mostly in the social policies of EU members that assure a decent level of life for its citizens.

The individual EU members have different models of welfare state and as a block the EU has a strong European Pillar of Social Rights, and numerous other initiatives like the Social Investment Package. The European Social Policy Network provides analysis and expertise for both neighboring and third countries.

Making the social policy agenda central to EU relations and contacts with the EAEU would be beneficial for all the parties. On the one hand, social policy is embedded in the values agenda of

the EU, on the other hand, it appears to be a quite depoliticized and attractive field of cooperation for the members of the Eurasian Economic Union. Sharing best practices, exchanging information on standards of social protection, and explaining the linkages between various dimensions of integration where social policies play an important role could be an innovative sphere of experience-sharing for the EU in its relations with the EAEU.

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<sup>i</sup> About the draft of the decision of the High Eurasian Economic Council “On the major directions of the international activities of the Eurasian Economic Union for 2021” [O proekte resheniya Vysshego Evrazijskogo ekonomicheskogo soveta «Ob Osnovnyh napravleniyah mezhdunarodnoj deyatel'nosti Evrazijskogo ekonomicheskogo soyuza na 2021 god»], October 1<sup>st</sup>, 2020 <https://docs.eaeunion.org/Pages/DisplayDocument.aspx?s={e1f13d1d-5914-465c-835f-2aa3762eddda}&w=9260b414-defe-45cc-88a3-eb5c73238076&l={8a412e96-924f-4b3c-8321-0d5e767e5f91}&EntityID=27491>

<sup>ii</sup> Foreign Affairs Council: Press remarks by High Representative/Vice-President Josep Borrell. Brussels, 22.02.2021 [https://eeas.europa.eu/headquarters/headquarters-homepage/93618/foreign-affairs-council-press-remarks-high-representativevice-president-josep-borrell\\_en](https://eeas.europa.eu/headquarters/headquarters-homepage/93618/foreign-affairs-council-press-remarks-high-representativevice-president-josep-borrell_en)

<sup>iii</sup> Paul Stronski. There Goes the Neighborhood: The Limits of Russian Integration in Eurasia. Carnegie Endowment for International Peace. September 16, 2020 <https://carnegieendowment.org/2020/09/16/there-goes-neighborhood-limits-of-russian-integration-in-eurasia-pub-82693>

<sup>iv</sup> Rilka Dragneva-Lewers. Pork, Peace and Principles: the Relations between the EU and the Eurasian Economic Union. Institute of European Law Working Papers, 02/2019

<sup>v</sup> Tonyvan der Togt. EU and Eurasian Economic Union: A Common Chinese Challenge. Clingendael, 20 April 2020 <https://www.clingendael.org/publication/eu-eurasian-economic-union-common-chinese-challenge>

<sup>vi</sup> Ulf Schneider. Rapprochement between the EU and the EAEU offers more than economic benefits. European Leadership Network, 27 January 2020 <https://www.europeanleadershipnetwork.org/commentary/rapprochement-between-the-eu-and-the-eaeu-offers-more-than-economic-benefits/>

<sup>vii</sup> Gabriel Felbermayr, Jasmin Groschl. Free Trade from Lisbon to Vladivostok: Who Gains, Who Loses from A Eurasian Trade Agreement? CESifo Forum, Volume 18, No 2, 2017 <https://www.ifo.de/DocDL/CESifo-Forum-2017-2-felbermayr-groeschl-eurasian-free-trade-june.pdf>

<sup>viii</sup> Alexandra Vasileva. Engage! Why the European Union Should Talk with the Eurasian Economic Union. FES Perspective, September 2017

<sup>ix</sup> Carl Bildt, Gustav Gressel, Kadri Liik, Nicu Popescu. Push back, contain, and engage: How the EU should approach relations with Russia. ECFR Policy Brief, 25 March 2021 <https://ecfr.eu/publication/push-back-contain-and-engage-how-the-eu-should-approach-relations-with-russia/>

<sup>x</sup> Ibid.

<sup>xi</sup> See numerous reports from the participants of the international project “Challenges and Opportunities of Economic Integration within a Wider European and Eurasian Space” (2014-2018), IIASA <https://iiasa.ac.at/web/home/research/eurasian/Reports.html>

<sup>xii</sup> V. Yuritsin. EAEU states cannot defeat the shadow of the USSR in the social sphere [Gosudarstva EAES v social'noj sfere ne mogut pobedit' ten' SSSR]. Zona.kz, 25.10.2018 <https://zonakz.net/2018/10/25/gosudarstva-eaes-v-socialnoj-sfere-ne-mogut-pobedit-ten-sssr/>