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Time for an EU Foreign Policy Update?

The EU and the Silk Road Region in Wartime

Samuel Doveri Vesterbye

The European Union has a short history of handling foreign policy when compared to other political actors on the international stage. Most others have a foreign policy tradition that dates back several decades, hundreds of years, or longer. The EU thus remains a paradox. This can be seen by contrasting two characteristic sets of facts. *On the one hand*, it has established 140 embassies ("delegations") worldwide and states that it is the single-largest global donor of international development aid. The EU is China's second biggest trade partner (and America's biggest trade partner), and its 447-million population continues to set many of the world's trade and regulatory standards (it is not without cause often described as a "regulatory superpower"). *On the other hand*, the EU's foreign policy administration, known as the European External Action Service (EEAS), has existed for barely a decade and a half. In fact, its competences in international relations only date back to the 1992 Maastricht Treaty, while its instruments, strategies, and external budgets remain less than two decades old. With the exception of the EU's enlargement policy, the EU's foreign policy strategies—the European Neighborhood Policy (ENP) and the Global Strategy—only date back to 2004 and 2015, respectively. It is within this context that we must understand and analyze both the successes and challenges that the EU's nascent foreign policy faces today.

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This essay first describes what is generally understood to be the EU's foreign policy, including policies, strategies, and instruments. This is followed by an analysis of how Russia's invasion of Ukraine has changed the EU's geopolitical and geo-economic thinking and thereby also its inherent foreign policy positions and interests. The third part briefly analyses how certain policies—namely the accession policy in the specific case of Türkiye and the Eastern Partnership (EaP)—face serious challenges as a result of the geopolitical impact of the conflict over Ukraine and the gradual decoupling of Russian energy-supplies and transportation corridors. The fourth part briefly examines how the EU is likely to inevitably reposition itself, in geographic terms, as a result of the ongoing war and its effects. This policy is likely to support a united EU that aims to fulfill its internal energy needs while obtaining sustainable access to rare-earths as well as relocated supply chains. The final part outlines how portions of a new EU foreign policy can potentially support this new geopolitical reality by establishing a more security-focused, sustainable, and geographically diversified foreign policy.

This essay leads up to an assessment of how portions of a new EU foreign policy can potentially support the new geopolitical reality as it applies to the Silk Road region.

What is EU Foreign Policy?

What is commonly referred to as "EU foreign policy" is essentially the Common Foreign and Security Policy (CFSP) that was established by the Maastricht Treaty in 1993. Since the 1990s the core competences, budgets, and instruments of the EU's CFSP have been strengthened, notably though the Lisbon Treaty that came into force in 2009. The CFSP is best understood as the overarching EU foreign policy entity, which contains a range of features, notably the EEAS itself and its delegations abroad, as well as the High Representative of the European Union for Foreign Affairs and Security Policy and Vice-President of the European

Commission (High Representative or HRVP). One can also include the EU's Common Commercial Policy, General Data Protection Regulation (GDPR), and other regulatory frameworks, development aid, enlargement, as well as the EU's many strategies and policies under this umbrella. The European Neighbourhood Policy (ENP), with its southern and eastern sub-divisions, known as the Eastern Partnership (EaP), also fit into this category. Important additional components of the EU's foreign policy include the Common Security and Defense Policy (CSDP), the Permanent Structured Cooperation (PESCO) mechanism, the Coordinated Annual Review on Defence (CARD), the European Development Fund (EDF), and the European Defence Agency (EDA), as well as all the strategies and intra-institutional meeting platforms that derive from these policies like, for example, the Committee of the Permanent Representatives of the Governments of the Member States to the European Union (COREPER).

For the purpose of this essay, however, I will limit myself to simply describe the EU's ENP, Global Strategy, and Strategic Compass, as well as specific cases related to its enlargement (in the next sections) and EaP policies, followed by the CSDP. The reason for this limitation is due to the fact that the foregoing components of the EU's foreign policy apparatus are *particularly* relevant within the context of the new challenges that the EU is facing as a result of Russia's invasion of Ukraine in February 2022.

The EU's foreign policy towards the geographies that fall within the analytical purview of this essay has been largely shaped by the establishment of the ENP IN 2004 followed by the establishment of its eastern dimension in 2009, known as the EaP.

The ENP dictates the EU's relations with its southern and eastern neighbors. It aims to encourage stability, prosperity, and security for its immediate neighbors, some of which have been seeking candidacy to become EU member states. The EaP consists of the EU's eastern neighbors, namely Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine. For over a decade, the main official goal of the EaP has been to "strengthen and deepen the political and economic relations between the EU, its member states, and six Eastern European and South Caucasus partner countries." A vital component of the EU's ENP, including

the EaP, has been to strengthen resilience, economic relations, foreign and security bonds, as well as socio-political ties, and climate priorities in the aforementioned countries.

Additional elements of the EU's foreign policy are best understood when looking at the chronological timeline between the ENP (2004), the EaP (2009), and subsequent key additions like the review of the ENP in 2015 (ENP Review), as well as the 2016 Global Strategy and the 2022 Strategic Compass.

As Steven Blockmans of the Centre for European Policy Studies wrote soon after its public release, the "essence" of the 2015 ENP Review consisted largely of an acknowledgment of a more geopolitical neighborhood—one that that placed "greater emphasis on stability (in security and economic terms); [provided for] more differentiation in relations with neighboring countries (i.e., doing more with 'partners'); and [gave] greater emphasis on shared interests rather than on the Union's own values."

One concrete example was the removal of the annual package of country reports to measure progress in reforms and its replacement by a stronger emphasis on security, energy, migration management, and climate priorities. Similarly, the 2016 Global Strategy echoes many of the 2015 ENP Review concepts, which were shaped by extensive consultations with stakeholders and civil society across the EU and the ENP. It famously put a major emphasis on the concept of fostering "resilience" while also prioritizing strategic autonomy, principled pragmatism, and existential threats to the EU. While maintaining a socio-political framework that continued to be built around the idea of resilience and reinforcing the capabilities of the EU's neighbors in dealing with migration, social issues, and instability, 2016 Global Strategy nevertheless took a more pragmatic approach to foreign policy.

The following passage from the document that announced the 2016 Global Strategy encapsulated the political sentiments at the root of this policy shifts:

> We need a stronger Europe. This is what our citizens deserve, this is what the wider world expects. We live in times of existential crisis, within and beyond the European Union. Our Union is under threat. Our European project, which has brought unprecedented peace, prosperity, and democracy, is being questioned. To the east, the European security order has been violated, while terrorism and violence plague

> North Africa and the Middle East, as well as Europe itself. Economic growth is yet to outpace demography in parts of Africa, security tensions in Asia are mounting, while climate change causes further disruption.

The latest addition to EU foreign policy took place on 21 March 2022 with the publication of the Strategic Compass. Inconveniently, this strategic EU foreign policy document was conceived and largely finalized in the lead up to the Russian invasion of Ukraine, which—in hindsight—has led to criticism, since the document was immediately perceived as being outdated by virtue of not having properly taken into account the new geopolitical and geo-economic realities resulting from the onset of the war.

The Strategic Compass emphasizes that the world has entered into a new era of "realism" in which all the assets of globalization will be "weaponized" and in which interconnectivity—including multilateral trade—will be put in the service of geopolitical interests and result in a lower degree of respect for multilateral rules, institutions, and international arbitration. It equally affirms that "the return of war in Europe" is governed by classical great power competition views and puts an emphasis on the securitization of infrastructure, technology, markets, and corridors—including land, air, sea, space, and digital.

In practice, the EU's Strategic Compass document aims to reinforce the CSDP through external missions and allowing for more flexible mandates, including rapid decisionmaking and faster deployment of military and civilian staff. Additionally, the use of a broader range of military support is given pride of place, with the document calling for more harmonized control centers, better multi-use military mobility, more interoperability, and the establishment of an EU Rapid Force consisting of 5,000 troops. Importantly, the Strategic Compass is supposed to be revised on a three-year basis and also contains calls for investments in defense innovation hubs, hybrid tools, Coordinated Maritime Presence, and a Comprehensive Space Strategy.

It is worth noting that during the past two decades, the EU has increased its traditional-military capabilities under the CSDP. In terms of peacekeeping operations and conflict prevention, the EU today includes both military and civilian components as part of its foreign policy apparatus, which helps guide the EU's seven ongoing military

missions and 11 civilian missions around the world. The EU's missions abroad engage primarily in monitoring, capacity building, security sector reform, border management, judiciary support, and police trainings. As of 2023, there have been 37 active EU missions around the world with all of them focusing on Ukraine and Africa, the Western Balkans, and the Middle East.

> *The Russian invasion of Ukraine in February 2022 has had a deep impact on traditional EU foreign relations in economic, diplomatic, energy, and security terms.*

Game-Changer

The Russian invasion of Ukraine in February 2022 has had a deep impact on traditional EU foreign relations in economic, diplomatic, energy, and security terms. In 2021, the EU was dependent on Russia for over 50 percent of its natural gas imports. EU member states that were the most gas-dependent on Russia (pre-2022) included Austria (86 percent), Bulgaria (79 percent), Finland (75 percent), Slovakia (68 percent), Greece (64 percent), Hungary (61 percent), Slovenia (60 percent), Czechia (55 percent), Poland (50 percent), Germany (49 percent), and Italy (38 percent).

This war rendered such levels of gas dependency politically unsustainable, due to the ongoing and coordinated U.S.-EU sanctions policy against Russia. As a result, the EU has chosen to diversify the sources of its import of gas away from Russia at historically unprecedented speeds. This energy transition has forced the EU to rely, in part, on high imports from European energy exporters like the Netherlands and Norway while simultaneously seeking new and diversified sources of energy from Algeria, Azerbaijan, Kazakhstan, Nigeria, Qatar, and the United States, among others. This has resulted in the need for the EU to reposition itself internationally and prioritize new geographical regions and countries. It is yet to be determined, however, whether such repositioning will turn out to be of a tactical (temporary) or strategic (more lasting) nature in the context of each of the foregoing nations.

One important grouping of countries—which has historically received less EU attention—includes the states that make up the core of what the editorial statement of *Baku Dialogues* calls the Silk Road region, namely Azerbaijan,

Armenia, and the Central Asian republics. These countries face growing pressure from Russia whilst having assumed increasing importance for the EU's energy demands and supply chains. This, in turn, calls for increased investments by the EU in the enhancement and protection of energy infrastructure, including natural gas and renewable sources. It is therefore paramount, from the perspective of the EU, for Brussels to place more focus on multi-modal interconnectors to harmonize energy markets and their infrastructure, both inside and outside the EU, with a new and deeper focus on Türkiye, the South Caucasus, and Central Asia.

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In addition to energy, the Russia-Ukraine war has also fundamentally disrupted the EU's traditional trade corridors (via land) and supply chains, including for rare-earths and nuclear-material importation. The closing of the Europe-Asia land-trade route (Northern Corridor), which goes through Russia, is fast-impacting trade and transport capacity. One noticeable example is the EU's very high dependence on Kazakhstan and Uzbekistan for nuclear material, which had previously been imported through the Russian land route (the EU imports 21 percent of its nuclear material from Kazakhstan alone)—this has had a particularly large impact on France. Another example is trade volume between China and the EU, which depends on rail-routes across Eurasia for specific types of goods.

It is important to note that two additional (current) important barriers to the transportation of goods across the Northern Corridor also include international companies not being willing to operate on Russian territory due to the restrictions imposed by the West-led sanctions regime, the risk of corporate images being tarnished, heightened insurance premiums, and grassroots opposition (e.g., protests on the borders with Poland and the Baltic countries).

As a result, trade in goods and rare-earths have become dependent on maritime container shipments, which are equally increasing in price and being disrupted, as well as on the only remaining land-sea-transit-route via Central Asia, the South Caucasus, and Türkiye or across the Black Sea. The latter is known colloquially as the Middle Corridor route and is driven by various EU and non-EU strategies, policies, and mechanisms—e.g., the Transport Corridor Europe Caucasus Asia (TRACERA), the Southern Gas Corridor, Global Gateway, the Trans-Caspian International Transport Route (TITR), and the Belt and Road Initiative).

A careful balancing act is essential in this case to avoid suffocating already vulnerable South Caucasus and Central Asian countries' economies, since they are at least somewhat dependent on Russia for transiting goods. However, the EU must simultaneously provide for fast-paced and large-scale investments together with the private sector in order to guarantee a functioning Middle Corridor ahead of entirely terminating the Northern Corridor through upcoming sanctions packages.

In terms of security and regional prioritization, this poses multiple policy needs as well as conundrums for the EU. The first—and most obvious—need is that the EU must inevitably consider deepening its relationship with countries that form the core of the so-called Middle Corridor (i.e., Türkiye, the three South Caucasus states, and the five Central Asia republics). However, beyond a simple prioritization of the Middle Corridor region for investments in rail, ship, and road in infrastructure—the 2023 EBRD Impact Assessment notes that major investments in rail, land, and sea infrastructure will be needed in order to fill the Middle Corridor's transport capacity needs—it is equally important for the EU to take into account the security risks associated with redirecting its supply chains.

This is particularly the case for critical raw materials and goods, which risk bottlenecks as well as digital or offline disruptions as a result of instability in the region. The most noticeable example is the ongoing multifaceted dispute between Armenia and Azerbaijan, which risks jeopardizing the EU's strategic prioritization of the South Caucasus and Central Asia as reliable partners for energy, trade, and rare-earths.

For the past two years, the EU—led by European Council president Charles Michel—had engaged actively and successfully with both Baku and

Yerevan, before suffering a setback in the wake of Prague summit that inaugurated the European Political Community. It is against this background that on 23 January 2023, the EU Council decided to deploy a European Union Mission in Armenia (EUMA) as a follow up to last year's temporary, short-term EU "monitoring capacity" in Armenia that had been deployed in October 2022. The Council portrayed this as part of its ongoing effort to keep playing a constructive role in the Armenia-Azerbaijan peace process.

But things have not exactly gone smoothly, notwithstanding Armenia's laudable intention to distance itself from having to rely exclusively on Russian security guarantees: Azerbaijan has indicated that the EUMA has been planned without involving Baku (unlike the previous mission).

It is clearly in the EU's interest to undertake measures to regain the confidence of both Armenia and Azerbaijan through the renewal of the trilateral engagement mechanism. Otherwise, the EU risks being marginalized or even shut out of the peace process.

It is clearly in the EU's interest to undertake measures to regain the confidence of both Armenia and Azerbaijan through the renewal of the trilateral engagement mechanism. Otherwise, the EU risks being marginalized or even shut out of the ongoing Armenia-Azerbaijan peace process, leaving the United States and Russia as the sole interlocutors acceptable to both parties.

The security risks are also heightened in other parts of the Middle Corridor area, namely in Georgia, where Russia continues to illegally occupy South Ossetia and Abkhazia with a high risk of re-escalation. Similarly, across Central Asia, other risk factors include water management issues, border disputes, domestic tensions, and public protests. Finally, it should be noted that Türkiye also faces the risk of internal instability as a result of the upcoming elections and the ongoing conflict with the PKK inside Türkiye, as well as in Syria, Iran, and Iraq.

If the EU intends to protect its supply chains, rare-earths, energy supplies, and the general stability of its closest neighbors and strategic partners during this heightened period of

global geopolitical instability, it is important for the EU and EaP countries' policymakers to take into consideration available CSDP tools, including civilian and military missions for monitoring, security sector reform, and other forms of training.

Is the EaP Outdated?

Several parts of the EU's traditional foreign policy are bound to face fundamental challenges in 2023 and perhaps beyond. Such challenges are linked to the effectiveness and geopolitical functionality of the EaP. Similarly, the EU's current enlargement process and Türkiye's increasing geopolitical role in the neighborhood equally remain challenging. Other issues also remain, including the EU's lacking civilian or military missions in key areas of interest (e.g., supply chains) and the overall lack of political attention and budgets dedicated towards the South Caucasus and Central Asia.

The reconfiguration of the EaP is high on the agenda among policymakers in Brussels and in the capitals of EU member states.

As described above, the new, post-2022 geopolitical reality is forcing the EU to rethink its external partnerships and regional priorities to secure sustainable and diversified supplies of energy, critical raw materials, and non-disrupted supply chains. The recent EU candidacy bids of Ukraine and Moldova have also added a disrupting element to the traditional EaP format, which now risks rendering that foreign policy platform redundant.

The reconfiguration of the EaP is high on the agenda among policymakers in Brussels and in the capitals of EU member states for at least two reasons. *Firstly*, since Ukraine and Moldova—and prospectively Georgia—are placed in the EU's accession policy basket, it automatically implies that those three countries no longer form a meaningful part of the EaP. This essentially leaves Armenia and Azerbaijan as the only two EaP states (Belarus officially remains a part of EaP, but due to its strengthened relationship with Russia, it is fair to say that Minsk no longer plays a meaningful role inside EaP). This conundrum affects the EaP by questioning under which policy umbrella or set-up the remaining two EaP countries ought

to be categorized. *Secondly*, it also places additional strain on the EU's relationship with existing membership candidate countries in the Western Balkans. It similarly adds a fundamental question mark as to what will happen with Türkiye's longstanding EU candidacy status.

With regard to Armenia and Azerbaijan, it is logical that a new structure will be needed, partly due to the vacuum created by the EU candidacies of Ukraine, Moldova, and—potentially—Georgia. In turn, the new geopolitical and supply chain realities caused by the conflict over Ukraine calls for the EU to re-engage differently with both Armenia and Azerbaijan, as well as with Türkiye and the Central Asian republics, as noted above.

It is therefore advisable that the EU reconsider its current EaP relationship with Armenia and Azerbaijan, as well as its accession relationship with Türkiye, while envisioning a new focus on establishing a strategic-alternative-platform for these countries to tackle their common practical needs in the security sphere. Such a relationship could be based—to start with—on geographically-diversified relations, an increased emphasis on security, and a greater push on sustainability issues. It could equally be focused on harmonizing foreign and security policies in critical sectors like energy, raw materials, digital connectivity, transport infrastructure, renewable sources, migration, and cyber and digital policies. The digital and cyber components are particularly relevant, since they cover everything from disinformation and regulatory frameworks surrounding access to information, technology, and satellites.

An existing framework for such potential cooperation is the European Political Community, which equally has the potential to be linked to the EU's CSDP, thereby fulfilling some of the previously mentioned needs for the EU to expand its civilian and military missions in the region at stake. This could serve as a starting point for EU cooperation on equal footing with countries like Türkiye, Armenia, Azerbaijan, and the five Central Asian republics.

An EU approach grounded in security, energy, and supply chains will inevitably provide a much-needed *security guarantee* for countries that are facing a more volatile and less economically-viable Russian neighbor, while simultaneously restructuring an increasingly redundant EaP and the Turkish accession process.

Rethink, Restructure

The war in Ukraine has opened a Pandora's box; the ineffectiveness of certain EU policies merits a serious re-think: there is a real potential to restructure the EU's policies and investments directed at Türkiye, the South Caucasus, and Central Asia. And it is in the EU's interest to do all it can to seize this opportunity on offer.

This essay has suggested that the EU take a more security-oriented policy vis-à-vis its neighbors in the Silk Road region (Middle Corridor area, as you like), focusing primarily on the harmonization of foreign and security priorities, as well as energy, rare-earths, supply chains, migration, cyber policy, renewable policy, and digital policy. It called into question the sustainability of the current EaP format, as well as the Turkish EU accession process, while providing an overview of the geopolitical and geo-economic impacts of the ongoing conflict over Ukraine on EU supply chains, energy, and rare-earths. This paper also recommended that the EU renew parts of its foreign policy by prioritizing multiple corridors (diversification), including the Middle Corridor, while focusing on security issues (CSDP) and strengthening its relationship with Türkiye, its neighbors in the South Caucasus, and what political scientists Sieglinde Gstöhl and Erwan Lannon have called the "neighbors of the neighbors" across Central Asia. BD

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